THE WALL STREET JOURNAL.

DOW JONES | News Corp * * * * * * WEDNESDAY, APRIL 12, 2023 ~ VOL. CCLXXXI NO. 84 WSJ.com ★★★★ $5.00

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What's News

Business & Finance

Ernst & Young canceled its plan for a split of its auditing and consulting arms, marking a dramatic and costly retreat from a proposal that was derailed amid bitter infighting at the firm. **A1**

◆ **Tighter bank lending** after the failure of two midsize American banks will slow U.S. economic growth this year, the IMF estimated, saying rising rates pose a threat to the global financial system. **A1**

◆ **Potential fault lines** surfaced on Tuesday over whether the Fed should proceed with rate increases next month as it studies the fallout from bank-sector stresses. **A2**

◆ **China is negotiating** a compromise plan with other major creditors that could help break a logjam in debt-relief talks for struggling developing nations, people familiar with the talks said. **A10**

◆ **A federal jury convicted** three former executives of Outcome Health on charges that they defrauded customers and investors. **B1**

◆ **The judge who oversaw** the trial of Theranos founder Holmes denied her request to stay out of prison while she appeals her guilty verdict. **B4**

◆ **The Dow gained** 0.3% in quiet trading, while the Nasdaq fell 0.4%. The S&P 500 ended nearly unchanged. **B13**

◆ **Glencore said** it would add a cash component to its roughly $23 billion merger proposal for Teck. **B12**

◆ **Carrier is working** on a plan to sell or spin off its fire-and-security business segment, according to people familiar with the matter. **B3**

World-Wide

◆ **The Biden administration** has begun examining whether checks need to be placed on artificial-intelligence tools such as ChatGPT, amid growing concerns that the technology could be used to discriminate or spread harmful information. **A1**

◆ **China's top** internet regulator proposed rules to control artificial-intelligence tools in that country. **A4**

◆ **Defense Secretary Austin** said Ukraine remains confident in its ability to launch its counteroffensive against Russian forces amid the fallout from apparently leaked U.S. intelligence documents. **A8**

◆ **Nearly two weeks** after Russian security agents picked up WSJ reporter Evan Gershkovich, Moscow still hasn't granted U.S. Embassy officials permission to visit him in detention. **A7**

◆ **California would** have to reduce its use of Colorado River water more than current agreements require under a proposal unveiled by the Interior Department. **A3**

◆ **The Manhattan DA filed** a lawsuit against the House Judiciary panel and its chairman, alleging that Republican lawmakers were illegitimately interfering with his prosecution of Trump. **A5**

◆ **The gunman** in the Louisville, Ky., bank attack used an AR-15 rifle that he legally purchased six days before the mass shooting, police said. **A3**

◆ **Biden arrived** in Northern Ireland to celebrate a quarter-century since the Good Friday Agreement ended the U.K. province's civil conflict. **A18**

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EY Calls Off Its Breakup Plan

Firm spent more than $100 million on split between auditing, consulting business

By Jean Eaglesham

Ernst & Young canceled its plan for a split of its auditing and consulting arms, marking a dramatic and costly retreat from a proposal that was meant to reshape the accounting profession but ended amid bitter infighting at the firm.

Global leaders of the Big Four firm said Tuesday they were "stopping work on the project" because the heads of EY's U.S. arm, the biggest member of the global network, had decided not to move forward, according to a note sent to EY's 13,000 partners.

Rather than creating two dynamic firms, EY is now left with a potential leadership vacuum, thousands of angry partners, a split between its U.S. and overseas partnerships and confused clients.

EY spent more than a year and more than $100 million on the effort that was upended by a small group of senior U.S. executives. "This is the beginning of a real period of nastiness," said an EY U.S. partner who favored the deal.

EY's global leaders said in the note to partners that they remained committed to the principle of splitting the auditing and consulting businesses. But it isn't clear how a split could be redesigned in a way that achieves consensus, given the failure of intense negotiations over recent weeks.

"We thought we had something everyone would sign up to," one person close to the deal said. "This means going back to the drawing board."

The failure of the project marks a humiliating rebuff for Carmine Di Sibio, EY's global chairman and chief executive, who championed the planned split. The future of EY's global and U.S. leaders is uncertain, given the turmoil in the firm, one person familiar with the matter said. Mr. Di Sibio had originally been scheduled to retire in June but was granted a two-year extension to see the proposal through and was nominated to lead the newly created consulting firm.

His plans were undone by a revolt among U.S. audit leaders who complained that the consulting business was getting too much of the firm's lucrative tax operations. The auditors, joined by an influential group of retired

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Ash Blankets Russia's Far East After Volcano Erupts

INSTITUTE OF VOLCANOLOGY AND SEISMOLOGY/REUTERS

PILES UP: Ash coated the snow in towns and villages Tuesday across a swath of the Russian Far East after the Shiveluch volcano on the Kamchatka peninsula erupted. Ash clouds drifted about 300 miles south and southwest of the volcano. A18

U.S. Weighs Regulating AI Tools

By Ryan Tracy

WASHINGTON—The Biden administration has begun examining whether checks need to be placed on artificial-intelligence tools such as ChatGPT, amid growing concerns that the technology could be used to discriminate or spread harmful information.

In a first step toward potential regulation, the Commerce Department put out a formal public request on Tuesday for comment on what it called accountability measures, including whether potentially risky new AI models should go through a certification process before they are released.

The boom in artificial-intelligence tools—ChatGPT is said to have reached 100 million users faster than any previous consumer app—has prompted regulators globally to consider curbs on the fast-evolving technology.

China's top internet regulator on Tuesday proposed strict controls that would, if adopted, obligate Chinese AI companies to ensure their services don't generate content that could disrupt social order or subvert state power. European Union officials are considering a new law known as the AI Act that would ban certain AI services and impose legal restrictions on others.

"It is amazing to see what these tools can do even in their relative infancy," said Alan Davidson, who leads the National Telecommunications and Information Administration, the Commerce Department agency that put out the request for comment. "We know that we need to put some guardrails in place to make sure that they are being used responsibly."

The comments, which will be accepted over the next 60 days, will be used to help formulate advice to U.S. policy makers about how to approach AI, Mr. Davidson said. He said that his agency's legal mandate involves advising the president on tech policy, rather than writing or enforcing regulations.

ChatGPT, the chatbot from Microsoft Corp.-backed startup OpenAI, is one of a series of

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◆ China outlines plans to control AI tools.................... A4

Banking Volatility Hinders Growth, IMF Says

Drags on U.S., global economy include high inflation and reduced capacity for lending

By Andrew Duehren And Yuka Hayashi

WASHINGTON—Tighter bank lending prompted by the recent failure of two midsize American banks will slow U.S. economic growth this year, the International Monetary Fund estimated, warning that rising interest rates pose a threat to the global financial system.

U.S. banks' lending capacity will decline by 1% this year due to the fall in the value of many bank stocks as investors reassess the health of midsize banks, the IMF said in a report on global financial stability released Tuesday. That reduction in lending is expected to shave 0.44 percentage point off U.S. gross domestic product in 2023, the IMF said.

"Because regional and smaller banks in the United States account for more than one-third of total bank lending, a retrenchment from credit provision could have a material impact on economic growth and financial stability," the IMF said.

In a separate report released Tuesday, the IMF forecasts the U.S. economy, the world's largest, to expand 1.6% this year, down from 2.1% in 2022. The organization projected that the global economy will grow 2.8% this year, a slowdown from 3.4% last year, as nations continue recovering from slumps caused by the pandemic and the war in Ukraine.

Global growth is helped by China, the IMF said, which is reopening after its long pandemic lockdowns. But inflation in China eased for the second straight month in March, a cautionary signal on the strength of the nation's recovery.

Risks to the global economy include the volatile banking sector, high inflation and climbing interest rates, the IMF said.

Silicon Valley Bank failed in March as depositors pulled

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◆ Two Fed officials suggest caution on rate increases... A2

Accused Fraudster's Investors Speak Out

By Sha Hua

SINGAPORE—It wasn't easy for Liu Jun to give money to an exiled Chinese businessman who had amassed hundreds of thousands of followers with tales of political intrigue in Beijing and promises of massive investment returns.

The 53-year-old homemaker in Tokyo said she had to overcome the objections of her husband, who tried to dissuade her from giving money to Guo Wengui, even threatening to divorce her if she went ahead. When Ms. Liu attempted to make a bank transfer to invest in one of Mr. Guo's proposed businesses, multiple banks declined the transaction, warning that it could be a fraud, she said.

She brushed aside those concerns and wired $35,000 from her life savings in May 2020, she said. She even urged bank employees to invest.

Last month, U.S. federal authorities arrested Mr. Guo, charging him with leading a conspiracy to defraud more than $1 billion from thousands

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INSIDE

WORLD NEWS
Biden talks with parents of detained reporter about efforts to secure his release. **A7**

PERSONAL JOURNAL
Customers strategize to nab the hottest tables at popular restaurants. **A12**

Huge Rodents With Orange Teeth Find They Are Unwelcome in U.S.

* * *

Coastal states scramble to eradicate invasive nutria, once prized for their fur

By Adolfo Flores And Erin Ailworth

It's the stuff of bad dreams. Giant rodents with Cheetos-orange teeth are swarming through the coastal U.S., damaging almond trees, golf courses and even the occasional bridge.

The nutria, a semiaquatic mammal native to South America, was introduced to the U.S. in the late 1800s for the fur trade. After escaping captivity, the critters, which can weigh over 20 pounds and breed year-round, proved hard to corral again.

In Texas, nutria are on a "most unwanted" list. In Oregon, there's a year-round open season on them. California is hoping the invasive species will start to rat on itself.

"Rodents of unusual size (R.O.U.S.) do exist, and they do

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Remote Work Gets Even More Remote As Jobs Go Abroad

By Konrad Putzier

The idea came to Johnny Taylor Jr. early last year, after one of his employees made a case that her technology position could be done anywhere. She wanted to leave Virginia, where she held a job at the Society for Human Resource Management, a professional association based in Alexandria. She asked to work remotely in North Carolina.

"Then a lightbulb went off," said Mr. Taylor, the association's chief executive.

Instead of having the employee work in another state, he outsourced her job to India, where his organization is saving around 40% in labor costs, he said.

Welcome to the next wave of remote work. During the pandemic millions of people in the U.S. worked from home and many decamped to cities such as Boise, Austin and Phoenix. Companies learned that employees could be productive from afar because of remote-working tech like Zoom and Dropbox.

Those moves were usually at the behest of workers who wanted a change of environment, sought more living space or somewhere cheaper. Companies agreed to these arrangements largely to retain employees in a competitive labor market.

Now companies are responding to lingering labor shortages and rising wages by sending jobs overseas, according to labor consultants. In August, 7.3% of U.S. senior managers surveyed by the Federal Reserve Bank of Atlanta said they were moving more jobs abroad as a result of remote work.

Deel, a human-resources company that helps clients hire abroad, said hiring through its platform more than doubled last year. The share of job listings that are remote has surged since 2019.

The exodus of office jobs overseas is still a trickle. But it is accelerating and some economists see it as the beginning of a new era. About 10% to 20% of U.S. service support jobs such as software developers, human-resources

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VISIT…

LANZAROTE Caliente.com

U.S. NEWS

Two Fed Officials Suggest Caution on Hikes

By Nick Timiraos

Potential fault lines surfaced on Tuesday over whether the Federal Reserve should proceed with interest rate increases next month as it studies the fallout from banking-sector stresses triggered by the collapse of two midsize banks last month.

Chicago Fed President Austan Goolsbee said the central bank should proceed cautiously with any additional rate rises as it assesses aftereffects of the bank failures during a speech Tuesday. "At moments like this of financial stress, the right monetary approach calls for prudence and patience," he said in a speech at the Economic Club of Chicago.

Mr. Goolsbee became the Chicago Fed's president in January and voted in favor of quarter-point increases in the benchmark federal-funds rate at the central bank's two meetings this year, most recently in March to a range between 4.75% to 5%. But his remarks didn't include explicit support for further increases.

Over the past year, the Fed has raised rates at its fastest pace since the early 1980s to address inflation that jumped to a 40-year high last year. The Fed raises rates to fight inflation by slowing the economy through tighter financial conditions, such as higher borrowing costs, lower stock prices and a stronger dollar, which curb demand.

Regulators intervened to shore up confidence in the banking system after a run on Silicon Valley Bank forced them to close the bank on March 10 and a second lender, Signature Bank, on March 12.

Mr. Goolsbee said bank-lending surveys showed lenders were already tightening loan standards before the failures of the two banks last month. He said he would place considerable attention on surveys and other anecdotal data about borrowing conditions in determining how to set policy.

"Given how uncertainty abounds about where these financial headwinds are going, I think we need to be cautious," he said. "We should gather further data and be careful about raising rates too aggressively until we see how much work the headwinds are doing for us in getting down inflation."

Mr. Goolsbee said he didn't see tension between the Fed's effort to slow the economy to combat inflation and its effort to maintain a strong and stable banking system. But financial stresses, even without spiraling into a full-blown crisis, could still slow the economy by reducing the availability of loans and other credit to households and businesses, he said.

"I don't…believe we should stop prioritizing the fight against inflation" due to stresses in the financial system, he said. "But we also have to recognize that this combination could hit some sectors or regions in a way that looks different than if monetary policy was acting on its own."

Philadelphia Fed President Patrick Harker, who also voted to approve both rate rises this year, likewise signaled greater caution in determining further increases during remarks Tuesday evening. Because it can take 18 months for rate rises to influence economic activity, officials would need to closely follow "available data to determine what, if any, additional actions we may need to take," he said in remarks at the Wharton School at the University of Pennsylvania.

During a question-and-answer session that followed, Mr. Harker said he had for some time anticipated raising interest rates to just above 5%, which would imply one more quarter-point rate rise, before holding at that level. "At this point, I don't see why we would just continue to go up, up, up, and then go, 'Oops.' And then go down, down, down very quickly," he said. "Let's just sit there for a while and see how it goes."

Separately, New York Fed President John Williams said officials were watching credit and banking conditions very closely, but he said there weren't signs yet that business or consumer spending were strongly influenced by changing lending standards.

Chamber Cites Risk Of Policy Actions in New Study

By Brody Mullins

WASHINGTON—Tax changes, regulatory enforcement and government policy shifts are posing a greater threat to corporate profits than they did a decade ago, according to a new study from the U.S. Chamber of Commerce.

The chamber study was based on an analysis of annual reports filed by publicly traded companies in the S&P 500 index. It found that companies used terms associated with potential risks from government action about 325,000 times in their 2021 annual reports, a 27% increase from 2011.

In contrast, the chamber found that risks to corporate profits from nongovernmental forces, such as lawsuits or cost increases, remained relatively flat during the 10-year period.

The chamber attributed the increase in government risks to the repeated shifts in party control of the government; an increasingly partisan approach to policy-making; and "a growing willingness by both parties to pursue aggressive policy changes through regulation," rather than through Congress.

"This report confirms what we have been hearing from our member companies about the growing threat of government overreach and the risk it poses to their businesses," said Neil Bradley, the chamber's executive vice president.

In its study of annual reports, the chamber searched for terms associated with public policy risk such as "data privacy," "immigration issues" and "labor."

Healthcare companies and public utilities reported the largest increase in threats to profits from the government, the study found. Both are heavily regulated sectors.

Much of the policy risk came from the Justice Department, the Environmental Protection Agency, the Federal Trade Commission and the Securities and Exchange Commission. Risks from the FTC jumped 62% since 2011, the chamber found.

IMF Cites Banking Volatility

Continued from Page One

their money out amid large unrealized losses in its long-term investments in Treasurys and mortgage-backed securities. Those assets, purchased when interest rates were very low, lost value as the U.S. Federal Reserve rapidly raised interest rates over the past year to fight high inflation.

U.S. regulators closed New York-based Signature Bank after worries of bank runs spread to other banks. Later in the month, Swiss authorities stemmed a dangerous decline in confidence in the global banking system with the forced acquisition of Credit Suisse Group AG by its long-time rival UBS Group AG.

The collapses prompted fears among some depositors about the health of small and midsize banks. The 25 biggest U.S. banks gained $120 billion in deposits in the days after SVB collapsed, according to Fed data. All the U.S. banks below that level lost $108 billion over the same period. It was the largest weekly decline in smaller banks' deposits in dollar terms on record.

The deposit swings could have repercussions for communities served by smaller banks if lending declines as a result. Banks also might have to start paying higher interest rates to depositors and might be inclined to stockpile cash in case of future runs, which could lead to a credit crunch in many places.

Some economists have said the U.S. economy could take a hit or enter a recession this year, triggered by reduced lending from smaller banks.

Treasury Secretary Janet Yellen said Tuesday that the U.S. economy remained robust after the banking turmoil.

"I've not really seen evidence at this stage suggesting a contraction in credit, although that is a possibility. I believe our banking system remains strong and resilient," she said. "So I'm not anticipating a downturn in the economy, although, of course that remains a risk."

The Fed raised interest rates last month by a quarter percentage point to curb inflation by slowing the economy. Chair Jerome Powell said he would be watching for signs of any lending pullback that slows the economy, which could mean the Fed wouldn't have to raise rates as much.

"The question is how significant this credit tightening will be," Mr. Powell said, adding that the effect could be "quite real."

The IMF said Tuesday that high inflation and rising interest rates will continue to pose a risk to the global economy. After years of ultracheap borrowing, many financial institutions could also struggle to adapt to elevated interest rates, the product of the highest inflation in decades, the IMF said.

A growing source of risk is in the commercial real-estate sector.

"The fundamental question confronting market participants and policymakers is whether these recent events are a harbinger of more systemic stress that will test the resilience of the global financial system," the IMF said.

Further financial stress and credit tightening could have broad consequences for economies large and small, as well as for central banks tasked with bringing down high inflation, the IMF said.

Central banks might face trade-offs between fighting inflation and protecting financial stability, and the IMF encouraged policy makers to clearly communicate their commitment to bring down inflation.

A growing source of risk is in the commercial real-estate sector, where companies are facing lower property valuations and struggling to find tenants after the pandemic shifted more work away from office buildings, the IMF said. That raises the possibility of more defaults, which could in turn pose problems for the banks that lent money for commercial real estate.

"The confluence of higher interest rates and structurally lower demand for CRE raises the risk of a broader correction to commercial real estate valuation," the IMF said.

The IMF also said the Fed's move to shrink its holdings of Treasury bonds, as well as the political impasse over raising the debt limit, could pose challenges to a Treasury market that is already struggling with bouts of illiquidity and volatility.

The IMF said in its World Economic Outlook report that the U.S. and European economies see their growth supported by resilient consumer demand and strong job markets. Emerging markets are expanding faster than rich countries, and supply-chain crunches seen during the pandemic and following Russia's invasion of Ukraine are unwinding.

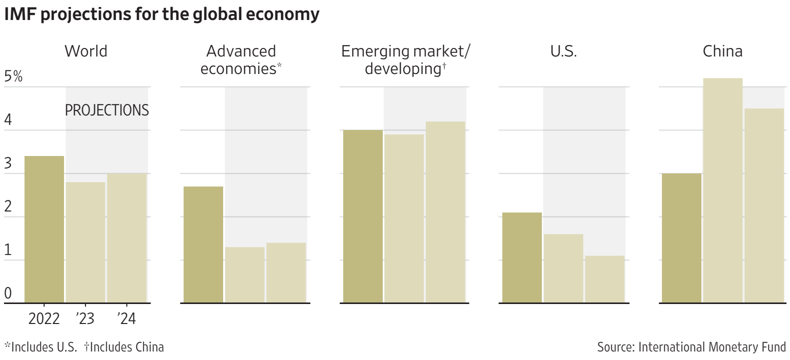
But its longer-term outlook remains dim.

The global economy remains weighed down by the effects of the war in Ukraine and the growing rivalry between the U.S. and China. The IMF has cautioned against economic fragmentation, or the breakup of the world trading system into rival blocs comprising either the U.S. and its allies or China, Russia and their allies.

Ms. Yellen said Tuesday that she thought the global economy has proven resilient amid the headwinds.

"I wouldn't overdo the negativism about the global economy. I think countries have proven resilient," she said. "So I think we should be more positive. Of course there are risks."

Looking five years ahead, the IMF forecasts global economic growth of 3% in 2028, the lowest such forecast in decades.



U.S. WATCH

GO NAKAMURA/REUTERS

BIG TRIP: NASA's Mars landscape simulation area at Mars Dune Alpha was open for a media tour Tuesday at the Johnson Space Center in Houston. The simulated Mars habitat is designed to help prepare people to go to the Red Planet one day.

WASHINGTON, D.C.

House Panel Probes Covid Aid to Hospitals

A Republican-led congressional committee is investigating Covid-19 relief funds meant to help struggling hospitals, after The Wall Street Journal reported last year that much of the aid went to profitable facilities.

House Oversight and Accountability Committee Chairman James Comer (R., Ky.) and Rep. Nick Langworthy (R., N.Y.) on Tuesday sent the Department of Health and Human Services a letter requesting documents regarding the money, also known as the Provider Relief Fund.

A Journal investigation published in December found that more than 1,200 profitable hospitals received federal pandemic aid. They took in $16.7 billion in aid on top of $53.6 billion in profits from patient care in the years they received it, the Journal found.

Meanwhile, some hospitals that struggled financially in the pandemic posted losses even after receiving federal aid.

—Liz Essley Whyte

OBITUARY

Jaffee, Mad Magazine Cartoonist, Age 102

Al Jaffee, Mad magazine's award-winning cartoonist and ageless wiseguy who delighted millions of children with the sneaky fun of the Fold-In and the snark of "Snappy Answers to Stupid Questions," has died. He was 102.

Mr. Jaffee died Monday in Manhattan from multiple organ failure, according to his granddaughter, Fani Thomson. He had retired at the age of 99.

Mad magazine, with its wry, sometimes pointed sendups of politics and culture, was essential reading for teens and preteens during the baby-boom era and inspiration for future comedians.

Few of Mad magazine's self-billed "Usual Gang of Idiots" contributed as much as the impish, bearded cartoonist. For decades, virtually every issue featured new material by Mr. Jaffee. His collected "Fold-Ins," taking on everyone from the Beatles to TMZ, was enough for a three-volume box set published in 2011.

—Associated Press

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CORRECTIONS & AMPLIFICATIONS

The gunman who killed five people and wounded eight others Monday in Louisville, Ky., was 25 years old. In some editions Tuesday, a U.S. News article about the shooting incorrectly said he was 23, based on initial information from police.

The Shandong is China's first domestically built aircraft carrier and its second aircraft carrier overall. In some editions Tuesday, a World News article about Chinese military exercises around Taiwan incorrectly said the Shandong is China's second domestically built carrier.

Canada is one of the world's largest producers of natural gas. A Technology article on Tuesday about leaked Pentagon documents concerning pro-Russia hackers incorrectly said Canada is one of the world's largest producers of liquefied natural gas.

Liver biopsies are used to determine the extent of damage from hepatitis B and C, not to diagnose the presence of the viruses. A Review essay on Saturday about artificial intelligence in healthcare incorrectly said liver biopsies are used to diagnose hepatitis B and C.

The E-7 command aircraft was originally produced by the U.S. and Australia. A March 7 Page One article about U.S. military strategy said it was produced by Australia.

Readers can alert The Wall Street Journal to any errors in news articles by emailing **wsjcontact@wsj.com** or by calling 888-410-2667.

Kentucky Gunman Legally Bought AR-15

Louisville police chief declines to address possible motive behind Monday bank shooting

BY JENNIFER CALFAS

The gunman who killed five of his co-workers and wounded eight other people at a Louisville, Ky., bank Monday legally purchased the AR-15 rifle six days before the mass shooting, police said Tuesday.

Interim Louisville Metro Police Chief Jacquelyn Gwinn-Villaroel said the suspect, 25-year-old bank employee Connor Sturgeon, bought the weapon at a local dealer on April 4.

Officers completed a search warrant at his residence and recovered some items, said Chief Gwinn-Villaroel, without elaborating. She declined to provide details about a possible motive or any red flags.

"The investigation is ongoing," she said.

The shooter opened fire Monday morning at Old National Bank in downtown Louisville. Police fatally shot the gunman, who live-streamed the killings, after they exchanged gunfire at the scene.

Those killed include bank employees Joshua Barrick, 40 years old, Deana Eckert, 57, Thomas Elliott, 63, Juliana Farmer, 45, and James Tutt, 64. Kentucky Gov. Andy Beshear said Mr. Elliott, who was active in local politics, was one of his closest friends. Ms. Eckert died Monday evening, hours after

LOUISVILLE METRO POLICE DEPARTMENT/AP

Connor Sturgeon in surveillance video released by police.

the shooting, police said.

Three patients remained at UofL Hospital in downtown Louisville Tuesday afternoon, according to a spokeswoman for UofL Health, the health system that includes UofL Hospital. The hospital said one of the patients who was in critical condition has since improved. Two patients were discharged Tuesday. Three others were discharged a day prior.

Officer Nickolas Wilt, 26, who recently graduated from the police academy, remained in critical condition in the intensive-care unit after he was shot in the head while responding to the shooting, said Jason Smith, chief medical officer at UofL Health.

Police said the shooter waited in the lobby of the bank to ambush officers as they arrived.

"As soon as he saw them he shot at them," Deputy Police Chief Paul Humphrey said at a news conference Tuesday, where police showed body-camera footage of the confrontation. Officer Wilt was shot as he ran up the steps of the bank building toward the shooter's ambush.

Louisville Mayor Craig Greenberg said the city would hold an interfaith vigil Wednesday evening.

Jim Ryan, chief executive of Old National Bank, a unit of holding company Old National Bancorp, and other leaders at the bank traveled to Louisville Monday to support victims' families and others affected by the shooting.

The mass shooting spurred calls for action on gun control from leaders and lawmakers, including President Biden. The tragedy in Louisville came two weeks after a shooter killed three children and three adults at a private Christian school in Nashville, Tenn.

There have been 146 mass shootings since the start of 2023, according to the Gun Violence Archive. The nonprofit research group defines mass shootings as any incident in which four or more people, not including the shooter, are wounded or killed.

Mr. Greenberg, a Democrat who narrowly escaped a shooting at his campaign office in February 2022, said 40 people in Louisville have died as a result of gun violence so far this year. He said the city has been working on longer-term solutions to end gun violence, including investing more in mental-health care, but needed state and federal lawmakers to take more immediate action.

Town Rebounds From Toxic Derailment a Decade Ago

BY ESTHER FUNG

PAULSBORO, N.J.—A small town in Ohio was marred this year by a freight train derailment that released toxic chemicals and spurred an environmental cleanup.

A decade earlier, a train derailment in this small New Jersey town spilled the same hazardous substance, vinyl chloride, into its waterways and air.

"The whole house rocked," said Gary Stevenson, who worked on projects at an oil refinery and served as the town's assistant fire chief in November 2012 when a Conrail train derailed.

Mr. Stevenson, now the town's mayor, recalled throwing on his firefighting gear around 7 a.m. and seeing a vapor cloud emerging from the train cars that were in a creek underneath the rail bridge, which was about 150 feet away from his home.

The accident briefly hurt local businesses and property values, and residents said a lingering stigma from it temporarily kept visitors away. The cleanup took about a month, and a new bridge opened for rail traffic in 2015.

But residents say the industrial town southwest of Philadelphia is humming today, thanks in part to community pride and major employers such as **Exxon Mobil** Corp. and **PBF Energy** Inc. that have remained.

Enrollment at the local public high school has been stable. The town's population stood at nearly 6,200 as of the 2020 Census, up from just under 6,100 a decade earlier. Local officials also aren't aware of direct long-term health implications from the accident.

"I don't scare easily," said Irma Stevenson, a former nurse and the mother of Mr. Stevenson. Mrs. Stevenson, who is 83, also lives near the

FROM TOP: CLIFF OWEN/ASSOCIATED PRESS; ESTHER FUNG/THE WALL STREET JOURNAL

Several cars of a freight train fell into the water in Paulsboro, N.J., more than a decade ago, damaging a bridge and sickening residents.

rail bridge. "If you're worried about every little thing, you can't live your life."

Paulsboro is years removed from its major train wreck, but many residents sympathize with residents of East Palestine, Ohio, the site of a Feb. 3 derailment. The February accident produced a larger evacuation zone and larger known losses of wildlife, as well as a fire that burned for days.

The amount of vinyl chloride released in East Palestine hasn't been determined, though five derailed tank cars carried nearly 116,000 gallons of the chemical. Other chemicals including butyl acrylate were also released. The ruptured tank car in Paulsboro held around 24,000 gallons of vinyl chloride, which is used

'The whole house rocked.'

Paulsboro, N.J., Mayor Gary Stevenson describes the aftermath of a 2012 train derailment that spilled large amounts of vinyl chloride.

to make hard plastic resin.

Phil Weiss, owner of Weiss Hardware Store, said business in his store plunged 25% in the following month and a half because residents were sheltering in place.

"I understand why people who lived here didn't want to come out. They were unclear what was in the air," said Mr. Weiss. He said he received partial compensation from Conrail about six months after the derailment and estimated it took six more months for business to return to pre-accident levels.

The National Transportation Safety Board said misaligned rails caused the 2012 derailment and that Conrail failed to ensure that inspections of the movable bridge-locking mechanisms were conducted by qualified employees. The railroad is jointly owned by large freight railroads Norfolk Southern Corp., operator of the train that derailed in East Palestine, and CSX Corp.

The town received about $73,000 from 2013 to 2014 for expenses related to the derailment, such as overtime pay for first responders, according to municipal records.

Mark Cuker said he represented around 2,000 plaintiffs who sued Conrail in connection with the derailment. The lawsuits alleged the derailment contributed to health issues that some residents and first responders faced, including worsened asthma, nausea, diarrhea and irritation of the ear, nose and throat.

"They paid a lot of people $500. We weren't going to accept $500," said Mr. Cuker. The claimants in the lawsuits received settlements from late 2017 to 2020, he said. He declined to comment further on the size of the settlements.

Conrail has resolved all but one of more than 2,100 claims that alleged damages from the derailment, said Jocelyn Gabrynowicz Hill, the railroad's general counsel and corporate secretary. Many more claims were addressed without litigation, she said.

In a 2017 lawsuit against its insurers for breach of contract, Conrail said its total loss from the derailment reached $18.4 million.

The derailment in Paulsboro hasn't appeared to have permanently damaged residential property values, but there was an early hit. The median sales price of a home in the three months after the derailment fell 15% from the price recorded three months before the accident, according to data from Redfin Corp.

The New Jersey Department of Health in 2014 concluded that it couldn't be determined whether there was a risk of long-term health effects from acute vinyl chloride exposure. More than 200 people visited hospital emergency departments after the derailment, citing headaches, respiratory issues, eye irritation and nausea, the report said.

California Faces Cuts to River Usage

BY JIM CARLTON

California would have to reduce its use of Colorado River water more than current agreements require under a proposal the Interior Department unveiled Tuesday that could upend a longstanding system of water rights.

The federal agency proposed two methods by which water usage could be reduced as much as 25% next year. The seven states that tap the Colorado have been negotiating with each other since last August to make voluntary cuts that could offset any new mandatory ones.

One proposal calls for equal percentage cuts for the three states at the bottom of the river: California, Arizona and Nevada. That would upend current agreements that give water districts in California more senior rights. The cuts would take effect in 2024.

The Bureau of Reclamation, part of the Interior Department, warned last August it would impose large cuts if the states that rely on the river didn't come up with a satisfactory plan by Jan. 31.

Six of the seven states—Arizona, Colorado, New Mexico, Nevada, Utah and Wyoming—in January submitted a possible framework for an agreement that would for voluntary cuts and conservation totaling between 2 million acre-feet and 4 million acre-feet annually.

JOHN LOCHER/ASSOCIATED PRESS

A wet winter in the West hasn't changed the region's water challenges. Lake Mead is 28% full.

California officials said then that the other states' approach would make the state bear an unfair share of the cuts and submitted their own proposal. It would more closely follow established agreements, calling for other states including Arizona to take larger cuts, along with more voluntary conservation.

The new federal proposal could spur California water officials to reach an agreement with the other states, said Gary Wockner, executive director of Save the Colorado, an environmental group.

"It adds legal pressure to the negotiations," he said. "The federal government has never stepped in and said you have to cut water use and here are the choices."

The other Interior Department proposal calls for making cuts based on existing water-rights arrangements.

Interior officials said savings of as much as two million acre-feet of water could be needed next year to maintain hydropower operations at the river's two largest reservoirs, Lake Mead and Lake Powell, as well as adequate water deliveries to 40 million people. An acre-foot is roughly the amount of water used by one family for a year.

The action comes after an unusually wet winter in the West. Interior Department Deputy Secretary Tommy Beaudreau said a series of rainstorms over the past several months hasn't changed the Colorado's longstanding challenges amid a drier climate.

"Everyone who lives and works in the basin knows one good year will not save us from two decades of drought," he said, pointing out the rings on Lake Mead, which is 28% full.

Under federal rules issued last year, Arizona has to cut 21% of its Colorado River use while Nevada has to cut 8%. Due to its more senior rights, California hasn't been ordered to cut anything, although water agencies in the state say they have been conserving a great deal.

Water officials in California's Imperial County, a large user of the Colorado River for farming, and Arizona issued statements Tuesday saying they hoped the states could reach their own agreement.

REBECCA NOBLE/REUTERS

Pinal County Sheriff Mark Lamb, pictured at a Second Amendment rally in Phoenix on Feb. 18, is joining a potentially 3-way Senate race.

Conservative Sheriff Enters Race for Senate in Arizona

By Eliza Collins

QUEEN CREEK, Ariz.—Sheriff Mark Lamb advised Kari Lake on border policy when she ran for governor in 2022. Soon, Mr. Lamb could be running against her.

Mr. Lamb, 50 years old, said in an interview that he is entering the race for Senate, aiming for the seat currently held by Sen. Kyrsten Sinema, an independent who caucuses with the Democrats. He is the first well-known state Republican to jump into the contest, while Ms. Lake is still weighing whether to run.

Mr. Lamb, the sheriff for Pinal County, which is between Phoenix and Tucson, has built up his profile as a frequent guest on conservative TV networks. His record on the coronavirus pandemic—he refused to enforce vaccine and mask mandates in his county—and his push to bolster border security have made him a popular figure with grass-roots conservatives.

“Arizona needs a proven conservative fighter that's gonna stand up for the people of Arizona and fight for the values that we love, which is God, family, freedom,” he said during a recent interview at a western-themed restaurant an hour outside Phoenix. He filed his paperwork to run as a candidate Monday.

Mr. Lamb, who has been in office since 2017, could face a crowded field in the August 2024 GOP primary. Analysts expect Ms. Lake to be the favorite for the party's nod if she runs. Still, her narrow loss in the 2022 gubernatorial bid makes some Republicans nervous about a general election, potentially opening the door for a rival candidate.

“I love Kari, I think she's a great woman, but I don't worry about competing with [her],” Mr. Lamb said.

Arizonans are bracing for a possible three-way race in fall 2024 between Ms. Sinema and the eventual Democratic and Republican nominees. Democratic Rep. Ruben Gallego, a fierce critic of Ms. Sinema, jumped into the race in January. Ms. Sinema hasn't said if she will run, but The Wall Street Journal recently reported that she is preparing a campaign.

Mr. Lamb's campaign is expected to focus heavily on border security. His county is wedged between the U.S.-Mexico border and Phoenix, and he said he encounters human and drug traffickers making their way north. He has been highly critical of the Biden administration's approach, saying it allows for illegal immigration and crime to prosper.

The Biden administration has said it is doing everything it can to curb illegal border crossings, and that arrests at the southwest border have declined significantly since last year.

Mr. Lamb said his own son was addicted to fentanyl and spent time in Mr. Lamb's jail before eventually getting clean, only to die in a car crash along with his daughter and fiancée. He said their deaths helped him to decide to run for Senate. “It reminded us that life is short and sometimes we have to do things that aren't comfortable,” he said.

After several disappointing cycles for Republicans here, Mr. Lamb is pitching himself as a person who can bring his party together and peel off the independent voters who decide elections in the state.

Unlike Ms. Lake, Mr. Lamb has said he supports funding for Ukraine, with audits of where the money is going.

He also said the 2020 and 2022 election results were accurate, though in the past he questioned the validity of the 2020 election and spoke at a rally of supporters of former President Donald Trump after Mr. Trump's loss, according to the Arizona Republic. He opposes abortion and celebrated the Supreme Court decision to eliminate the constitutional right to an abortion.

Aidan Johnson, a spokesman for the Democratic organization American Bridge 21st Century, called Mr. Lamb a “right-wing extremist hell-bent on dragging the rest of the GOP field down with him.”

Starting with Ms. Sinema's 2018 win, Arizona has shifted from a solid Republican state to a major political battleground. In 2022, Ms. Lake and three other Republicans running for major statewide offices lost. It was the first time since 1950 that Democrats were set to hold all major statewide offices. Ms. Sinema left the party after the election.

While Mr. Lamb supports Mr. Trump, he has also tried to appeal to the party's establishment wing, meeting recently with Senate Minority Leader Mitch McConnell.

Mr. McConnell has been critical of Trump-aligned candidates and clashed with Blake Masters, the 2022 GOP candidate for Senate who lost to Democratic incumbent Mark Kelly. Mr. Masters is also considering running again for the Senate.

Democrats Pick Chicago to Host 2024 Convention

By Ken Thomas

Chicago was chosen to host the 2024 Democratic National Convention, giving the party a Midwestern and union-friendly backdrop as a launchpad for President Biden's expected re-election campaign next year.

The Democratic National Committee's decision is a boon to Illinois Gov. J.B. Pritzker, who has been promoting the city as a natural home for the party's first in-person convention since the coronavirus pandemic.

The convention will be held at the United Center from Aug. 19 to Aug. 22 next year, about a month after the 2024 Republican National Convention. The selection was reported earlier by the Chicago Sun-Times.

Mr. Biden hasn't yet announced his plans to seek re-election but has hinted that it will come soon. The president told NBC's Al Roker on Monday, “I plan on running, Al, but we're just not prepared to announce it yet.”

Both parties will be staging their televised summertime events in the Midwest, with Republicans having chosen Milwaukee for their convention. Democrats had picked Milwaukee for the party's 2020 convention but had to shift to a mostly virtual format because of the pandemic, with Mr. Biden accepting his party's nomination in his hometown of Wilmington, Del.

Mr. Biden carried Wisconsin during the 2020 election, along with Michigan and Pennsylvania, flipping three states that helped elect Donald Trump in the 2016 presidential election.

In addition to Mr. Pritzker, the Chicago location had the support of Democratic Govs. Gretchen Whitmer of Michigan, Tony Evers of Wisconsin and Tim Walz of Minnesota, who said it would send a strong signal about the party's interest in maintaining the “blue wall” in the Midwest.

Atlanta and New York were finalists in the Democrats' convention process. All three cities lobbied for months to secure convention-related spending along with the national exposure from the event.

Advocates for the Atlanta bid included a number of Southern lawmakers, who pointed to Georgia's crucial role in helping Mr. Biden win the White House in 2020 and the party's success in winning two key U.S. Senate races.

But Chicago had a broad amount of support in the Democratic Party, including from labor unions, and has been at the center of liberal activism within the party.

Earlier this month, Chicago voters elected Cook County Commissioner Brandon Johnson as the city's next mayor, following Mayor Lori Lightfoot's loss in an earlier round of balloting in February.

KIICHIRO SATO/ASSOCIATED PRESS

Chicago, above, beat out finalists Atlanta and New York.

China Plans to Control AI Tools

By Raffaele Huang

China's top internet regulator proposed rules Tuesday to control artificial-intelligence tools similar to ChatGPT, putting it at the forefront of efforts by governments worldwide to tame the new technology amid concerns over the challenges it poses.

The rules come as the country's top technology companies push ahead with plans to integrate the nascent technology into their services.

The Cyberspace Administration of China will require companies to go through a government security review before providing such services and make companies responsible for the content their AI services generate, according to a draft of the rules. Content generated by such services shouldn't contain elements that could subvert state power, incite secession or disrupt social order, the rules state.

Governments around the world are discussing whether and how to govern the new wave of generative AI tools, with some of the world's leading tech figures warning they could be used to spread harmful information or discriminate. In the U.S., the Biden administration has begun examining whether checks need to be placed on the tools. Italy temporarily banned ChatGPT, saying the AI chatbot has improperly collected and stored information.

The Chinese regulator's announcement came the same day that **Alibaba Group Holding** Ltd. rolled out its large language model, called Tongyi Qianwen, which it plans to integrate across products including its search engine and voice assistant.

A day earlier, **SenseTime Group** Inc., best known for surveillance products such as facial-recognition systems, launched a ChatGPT-like service, SenseChat, and a cluster of apps based on its large AI model system SenseNova.

While Chinese tech companies have said their AI products still lag behind OpenAI's ChatGPT, which is unavailable in the country, they are pushing to develop their own versions of the technology.

Artificial Intelligence Is Targeted

Continued from Page One

popular new artificial-intelligence tools that can quickly generate humanlike writing, images, videos and more.

Industry and government officials have expressed concern about a range of potential AI harms, including use of the technology to commit crimes or spread falsehoods.

Microsoft said Tuesday it supported the administration's move to put AI development under scrutiny. “We should all welcome this type of public policy step to invite feedback broadly, consider the issues thoughtfully, and move expeditiously,” the company said in a written statement. Alphabet Inc.'s Google had no comment.

Children's safety was top of mind for Sen. Michael Bennet (D., Colo.) when he wrote last month to several AI companies, asking about public experiments in which chatbots gave troubling advice to users posing as young people.

“There are very active conversations ongoing about the explosive good and bad that AI could do,” said Sen. Richard Blumenthal (D., Conn.) in an interview. “This, for Congress, is the ultimate challenge—highly complex and technical, very significant stakes and tremendous urgency.”

Tech leaders including Elon Musk recently called for a six-month moratorium on the development of systems more powerful than GPT-4, the version of OpenAI's chatbot released about a month ago. They warned that an unfolding race between OpenAI and competitors such as Google was occurring without adequate management and planning about the potential risks.

Eric Schmidt, the former Google chief executive who spearheaded a congressional commission on the national-security implications of AI, contends that policy makers should take care not to blunt the U.S.'s technological edge, while still fostering development and innovation to be consistent with democratic values.

“Let American ingenuity, American scientists, the American government, American corporations invent this future, and we'll get something pretty close to what we want,” he said at a House Oversight Committee hearing last month. “And then you guys can work on the edges, where you have misuse.”

Referring to China, Mr. Schmidt added: “The alternative is, think about it if it comes from somewhere else that doesn't have our values.”

President Biden discussed the topic with an advisory council of scientists at the White House last week. Asked whether the technology is dangerous, Mr. Biden said: “It remains to be seen. It could be.”

Companies in some cases have welcomed and sought to shape new regulations.

Among those in the advisory group were representatives of Microsoft and Google. They and other companies releasing AI systems have said they are constantly updating safety guardrails, such as by programming chatbots not to answer certain questions.

In some cases, companies have welcomed and sought to shape new regulations.

“We believe that powerful AI systems should be subject to rigorous safety evaluations,” OpenAI said in a recent blog post. “Regulation is needed to ensure that such practices are adopted, and we actively engage with governments on the best form such regulation could take.”

Rep. Nancy Mace (R., S.C.), chair of a House Oversight Committee panel on technology, last month opened a hearing on AI with a three-minute statement discussing AI's risks and benefits. Then she said: “Everything I just said in my opening statement was, you guessed it, written by ChatGPT.”

In her own words, Ms. Mace asked witnesses whether the industry is moving too fast with AI development. “Are we capable of developing AI that could pose a danger to humanity's existence?” she said. “Or is that just science fiction?”

Mr. Schmidt cautioned against that view. “Everyone believes that the AI we are building is what they see in the Terminator movies, and we are precisely not building those things,” he said.

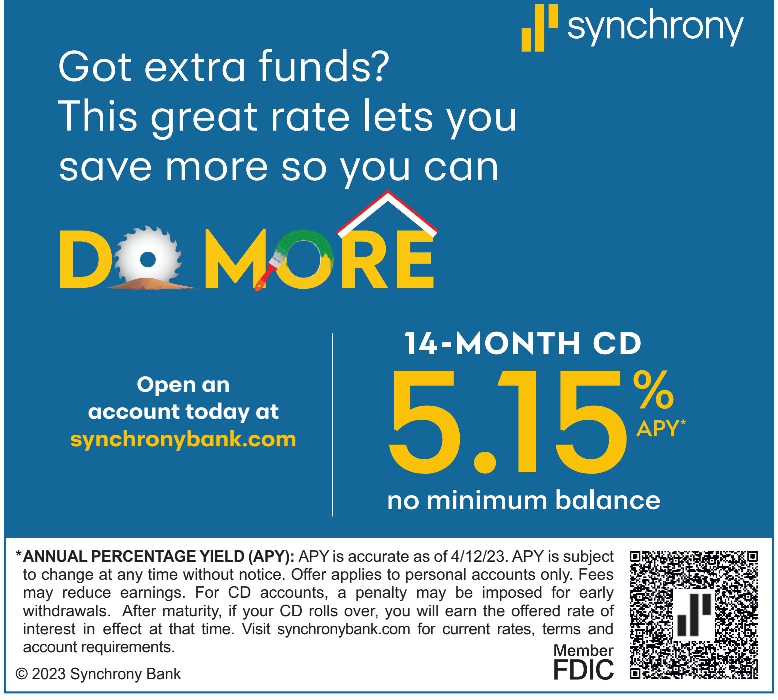
Rep. Gerry Connolly (D., Va.) expressed skepticism about Congress's ability to adopt AI rules, pointing to its lack of action to address the “awesome power” that social-media companies wield.

“Without any interference by the government, they make all kinds of massive decisions in terms of content, in terms of what will or won't be allowed, in terms of who gets to use it,” he said. “Why should we believe that AI would be much different?”

Absent a federal law focused on AI systems, some government agencies have used other legal authorities.

Financial-sector regulators have probed how lenders might be using AI to underwrite loans, with an eye toward preventing discrimination against minority groups.

The Justice Department's antitrust division has said it is monitoring competition in the sector, while the Federal Trade Commission has cautioned companies that they could face legal consequences for making false or unsubstantiated claims about AI products. Agencies with oversight over employment and copyright law are also examining the implications of AI.



Bragg Suit Says GOP Interfering On Trump

By Corinne Ramey

Manhattan District Attorney Alvin Bragg filed a lawsuit against the U.S. House Judiciary Committee and its GOP chairman, Rep. Jim Jordan, alleging Republican lawmakers were illegitimately interfering with his prosecution of former President Donald Trump.

The lawsuit, filed in federal court in Manhattan on Tuesday, alleges Mr. Jordan and his committee have mounted a "brazen and unconstitutional attack" on Mr. Bragg's investigation of Mr. Trump, who was charged with 34 felonies related to his role in hush-money payments to a porn star. Mr. Trump pleaded not guilty to the charges.

"Chairman Jordan and the Committee have, in essence, appointed Congress as a super grand jury that can flex its subpoena power to second guess the judgment of New York citizens and interfere with the state criminal justice process," the lawsuit says.

Mr. Bragg, a Democrat, is asking a federal judge to block a subpoena that the House committee served on Mark Pomerantz, a former prosecutor who worked on the Trump investigation. The subpoena, which calls for Mr. Pomerantz's testimony April 20, seeks sensitive and confidential information that belongs to the district attorney's office, the lawsuit alleges.

Mr. Pomerantz, who is named as a defendant in the suit, didn't respond to a request to comment. A Trump spokesman didn't respond to a request to comment.

Mr. Jordan, of Ohio, said in a statement, "First, they indict a president for no crime. Then, they sue to block congressional oversight when we ask questions about the federal funds they say they used to do it."

'Tennessee Three' Get a Big Platform

By Alyssa Lukpat And Mariah Timms

Tennessee state Reps. Justin Pearson, Gloria Johnson and Justin Jones react after Vice President Harris spoke on their behalf Friday.

GEORGE WALKER IV/ASSOCIATED PRESS

NASHVILLE, Tenn.—Tennessee's Republican-led House of Representatives' move to expel two Democrats last week resulted in a surprise: It gave the duo the biggest platform of their political careers.

The two Democrats, Justin Jones and Justin Pearson, were expelled from the House days after they interrupted a session to advocate gun control following a mass shooting here. The House's Republican supermajority sought to punish the freshman lawmakers for breaking House rules but ended up catapulting the two young men with next to no widespread name ID onto the national stage. They have juggled national TV appearances and a call from President Biden.

One of their colleagues, Democratic Rep. Gloria Johnson, survived a potential expulsion by one vote. Vice President Kamala Harris met with all three in Nashville last week. Donations poured in supporting the three lawmakers, including $400,000 raised by Sen. Chris Murphy (D., Conn.), a prominent gun-control advocate. Mr. Jones ran into 1960s folk singer and civil-rights activist Joan Baez in an airport Sunday, and the pair sang "We Shall Overcome" while holding hands.

Whatever happens next, political observers don't expect the "Tennessee Three" to fade from political view.

"All three gained the upper hand in a debate that was meant to crush them and has instead made them," said Lisa Quigley, former chief of staff to Democratic former U.S. Rep. Jim Cooper of Tennessee.

On Monday, Mr. Jones was sworn back into the House after Nashville's Metropolitan Council appointed him to the position on an interim basis until a special election is held, returning to the floor with his fist raised. A panel in Memphis could return Mr. Pearson to the House in a vote Wednesday.

Mr. Jones was escorted back to the Capitol alongside hundreds of demonstrators carrying "No Justin, No Peace" signs and was sworn back in on the statehouse steps. Mr. Jones returned to the House in time to catch Monday's session, the first since he was expelled.

Ms. Johnson joined their protest on the House floor last week, chanting messages such as "No action, no peace," but she said last week she didn't raise her voice or use a bullhorn to speak. Ms. Johnson is white and Messrs. Jones and Pearson are Black, setting off allegations of racism by some Democrats. Republicans have denied that claim.

State Rep. Jody Barrett, a Republican representing parts of central Tennessee, said last week he rejected the idea that Ms. Johnson stayed in the House because she is white. "That is a preposterous and baseless allegation that is illustrative of the political climate in our country today," he said.

The Tennessee House Republicans have dismissed the three as publicity seekers, calling them "Tennessee Me"—a play on the "Tennessee Three" moniker. The day Messrs. Jones and Pearson were expelled, House Republicans said in a tweet: "It's never been about change. Their only interest is being in the spotlight."

Representatives for Mr. Jones, Ms. Johnson and Mr. Pearson didn't return requests to comment.

Political strategists and analysts in Tennessee say the two men have leveraged their newfound national name recognition to build deeper political support in the state. They said the two men can expand on that in a number of ways: Messrs. Jones and Pearson could run for a congressional office or mayorship, sign book or speaking deals or become influential gun-control advocates across the country. Ms. Quigley said running for an executive office or Congress would give them more power, given Republicans hold a supermajority in Tennessee's state house.

Few freshman state legislators get airtime like Messrs. Jones and Pearson got last week, when national news networks carried their expulsion votes—and floor speeches protesting the moves—on live TV. They have since sat down for interviews with "Good Morning America" and CNN and are both fundraising on their personal websites.

"They're very young in their careers and have been given a little bit of rocket fuel," said John Geer, a political-science professor at Vanderbilt University and a co-director of Vanderbilt Poll, which runs surveys in Tennessee.

Mr. Jones is 27 years old and a well-known community organizer in Nashville, where he has called for Medicaid expansion and less-restrictive voter ID laws, according to his website. Mr. Pearson is a 28-year-old environmental activist and had taken office earlier this year to represent parts of Memphis.

Mr. Jones—and possibly Mr. Pearson—is returning to the House with a much bigger platform to call for gun control, a heightened issue in Tennessee following a mass shooting last month in which six people were killed at a Nashville Christian school. The shooter legally obtained the guns used in the shooting, authorities said, killing three students and three adults. Thousands of people in recent weeks have protested at the state Capitol, where Republicans in the past few years have expanded gun access.

Gov. Bill Lee, a Republican, on Tuesday morning said he plans to sign an executive order expanding background checks for firearm purchases.

EY Cancels Its Plan To Split Up

SUSANA VERA/REUTERS

Infighting at Ernst & Young scuttled a split of auditing, consulting.

Continued from Page One

partners, were concerned that the split would leave the audit business too weak to compete.

EY now faces a potential leadership crisis at the top of the 390,000-person firm.

Mr. Di Sibio and EY's overseas leaders who supported the breakup have lost credibility for failing to deliver on it. Staff members are angry about the uncertainty the plan created and cost cuts imposed on them to boost profitability.

Julie Boland, chief of EY's U.S. arm and a potential leader of the firm, might struggle to command global support. She was due to head the new audit-focused partnership, but was unable to unite her executives behind the breakup plan.

The split entailed getting approval from partners in dozens of countries and hinged on a complicated plan to raise cash to pay millions of dollars to the audit partners for giving up the consulting business.

That plan faced headwinds from rising interest rates and volatile markets. EY had planned for the consulting business to borrow billions of dollars and raise billions more from an IPO to pay auditing partners, as well as fund pensions for retired partners.

Ms. Boland and other U.S. leaders said Tuesday they would support a breakup at the right time, but also laid out their demands for change, according to a copy of an internal note reviewed by the Journal. The firm needs to simplify its structure, invest in its most strategic businesses and modernize its governance, the note said. "These actions will also better prepare us to execute on transaction options in the future," the note said.

EY's effort was closely watched in the accounting industry, which has moved aggressively into consulting operations despite potential conflicts of interest. EY hoped to create a template that other leading firms would be forced to follow. Mr. Di Sibio said in December the firm's "competitors are jealous in terms of what we're doing," according to a copy of a webcast reviewed by the Journal.

Instead of creating a model for the future of the profession, EY appears instead to have proved its doubters right. Joe Ucuzoglu, the global chief executive of rival Big Four firm Deloitte, last month said that history was littered with examples of proposed transactions that "sounded great [with] pretty slide decks, [and] lots of big promises," that never played out as intended.

Rival firms will likely try to poach disaffected EY partners, now that multimillion-dollar bonuses promised under the split appear to have evaporated, according to people familiar with the matter. Cost-cutting to boost profit margins in the U.S. firm, including a suspension of a bonus employees hoped to receive earlier this year, has added to staff frustration, the people said.

Differences over the planned split have riven EY's U.S. firm, which contributes some 40% of the firm's $45 billion in annual global revenue, according to people familiar with the matter. Most of the executive committee backed the deal, the people said, but U.S. managing partner Ms. Boland refused to override the objections of a handful of senior audit leaders.

The apparent ability of a few U.S. executives to wreck a deal affecting thousands of partners in scores of countries frustrated the global leadership. Mr. Di Sibio told partners this month the "overwhelming majority" backed the deal and they had the right to vote on whether to go ahead.

The U.S. leaders in their note also focused on the growing financial challenges to the deal. Tougher economic and market conditions mean the "transaction economics have become challenged," the leaders added, according to their note.

Mr. Di Sibio launched the plan to address a longstanding limitation on the growth of the firm's consulting business. Many countries prevent firms from doing consulting work for companies they audit. This was a big issue for EY, which audits most of the large tech companies, meaning they couldn't join with them on tech consulting contracts.

"The fact that this deal, as constructed, now seems unlikely to go ahead, doesn't mean that the thinking that underpinned it was wrong," said Fiona Czerniawska, chief executive of research firm Source. "Clients are still looking for different delivery models, and EY's specific constraint—the extent to which the firm can partner with big technology firms—remains just as urgent an issue to resolve."

The breakup plan created uncertainty among the thousands of new graduates that EY needs to recruit every year. Jeffrey Johanns, accounting professor at the University of Texas at Austin, said some of his students graduating with master's degrees in accounting and job offers from EY have been concerned about the implications of the split and its related turmoil. The students hadn't received start dates at EY unlike their peers at the other Big Four firms, he said.

—Mark Maurer contributed to this article.

Mothers Propel Drive To Protect Kids Online

By Ryan Tracy

WASHINGTON—Silicon Valley has for years brushed back attempts to make internet platforms more accountable for harm to young people. Online safety advocates are hoping to turn the tide with a new force: moms.

Mothers who say social media devastated their sons and daughters are stepping up efforts to pass legislative remedies, including by making personal appeals to lawmakers and working with congressional aides to fine-tune legislation.

The power of the lobby of mothers was demonstrated in November when about 10 women walked into Sen. Maria Cantwell's (D., Wash.) office demanding to know why they hadn't been able to secure a meeting with the chair of the Senate Commerce Committee.

Kristin Bride, 56, of Mesa, Ariz., clutched a picture of her late 16-year-old son as she approached the reception desk. Several more mothers followed, holding their own photographs of children whose deaths or struggles they blame, in part, on platforms such as YouTube, Instagram and Snapchat.

Ms. Cantwell "needs to come out here and tell these mothers whose children are dead why their children don't matter," Tracy Kemp, 34, of Lubbock, Texas, who is one of the mothers, recalls saying.

Ms. Cantwell's staff set up a meeting the next day. The senator sat with the mothers for an hour, participants said, hearing about young people who made connections with drug dealers and predators via social-media apps, or who suffocated after attempting a viral "blackout challenge," in which users film themselves choking and passing out.

"Every day that continues without any sort of checks on this industry, there is going to be more kids dying," is how Ms. Bride described her message to Ms. Cantwell and other lawmakers. Her son died by suicide in 2020, Ms. Bride said, after receiving what she said were a series of anonymous, abusive messages on social media.

First attempt falls short

Soon after the session ended, Ms. Cantwell directed her staff to push to include online safety provisions for children in a year-end spending bill. That attempt ultimately failed, but supporters said the encounter showed how effective the mothers can be as various organizations regroup for another legislative battle this year.

"The whole conversation and tenor of what we were trying to do changed when these moms showed up," said Josh Golin, executive director of the advocacy group Fairplay, one of the groups pushing for new guardrails on social media.

Aides to Ms. Cantwell said she always supported an online safety law and that she agreed to meet the mothers as soon as she was aware of their request. "Parents need to know that lawmakers aren't just listening. We want to take action," Ms. Cantwell said in a statement.

The child-protection measures being sought by Ms. Bride and other mothers now are being driven by a growing awareness of the downsides of social media, fueled in part by disclosures by news organizations including The Wall Street Journal, which reported in 2021 on documents leaked by former Facebook employee Frances Haugen showing that parent company Meta Platforms Inc. knew its platforms were riddled with flaws that cause harm.

The mothers' group that met with Ms. Cantwell is rallying behind the Kids Online Safety Act, which was introduced in 2022 by Sens. Richard Blumenthal (D., Conn.) and Marsha Blackburn (R., Tenn.). It would require online services to take reasonable measures to prevent and mitigate harms to minors. Tech companies would have to allow young users to limit direct messages, location-data collection, and autoplay or other potentially addictive features. The bill stalled last year amid opposition by the tech industry and some liberal advocacy groups.

The Computer & Communications Industry Association, a trade group whose members include Meta Platforms, which owns Instagram and Facebook, and YouTube owner Alphabet Inc., shares the goal of creating safe space online, said its president, Matt Schruers. "The only question is what is the most effective way to reach it," he said. Tech companies already limit features for young users, he said, but the original legislation would have effectively required platforms to collect more personal data to verify users' ages.

ACLU opposes bill

The American Civil Liberties Union and groups representing gay and transgender people also opposed the legislation, saying it could give state and federal officials a tool to hold tech companies liable for promoting any content related to transgender issues, on grounds it could harm children's mental health.

"It's perfect for frivolous, bully-pulpit lawsuits," said Evan Greer, director of the progressive advocacy group Fight for the Future, which helped organize the opposition.

Mr. Blumenthal said he has met with representatives of the transgender community, and a new version of the bill will be introduced soon to allay those concerns. "We're going to do everything we can to forestall any unintended consequences," he said.

The House remains a question mark, as many lawmakers there want to give priority to privacy protections for users of any age. Even so, the Senate Commerce Committee is likely to pass some version of children's online safety legislation—a goal supported not just by Ms. Cantwell, the committee chair, but Sen. Ted Cruz (R., Texas), the top Republican on the panel.

SENATE DEMOCRATIC MEDIA CENTER

Kristin Bride, second from left, Tracy Kemp, in white jacket, and other mothers attended a meeting with senators in November where they held up pictures of their children they say were victims of social media, as shown in a photo released by the Senate Democratic caucus.

MIKE FENDER/NEWS HERALD/ASSOCIATED PRESS

A wildfire threatened Panama City, Fla., last year. About two-thirds of the state is under moderate to extreme drought conditions.

Florida Drought Deepens, Hitting The State's Ranchers and Growers

By Arian Campo-Flores

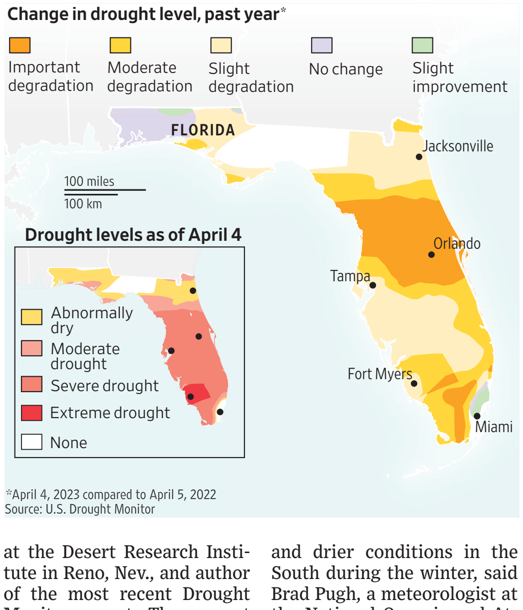
Florida is contending with an intensifying drought that is one of its worst in the past decade, crimping cattle ranchers and growers and prompting state officials to warn of an early start to the wildfire season.

About two-thirds of Florida is under moderate to extreme drought conditions, mainly in the central and southern parts of the state, according to the most recent weekly report by the U.S. Drought Monitor, a joint effort of academic and government institutions. By comparison, about 21% of the state was under such conditions a year ago.

The drought is hitting cattle producers such as Matt Pearce, an eighth-generation rancher whose family operation has about 2,100 cows in the southern interior of the state. Conditions have reduced forage for livestock, making the animals' weight lower than normal, he said. That has forced him to spend more to provide the cattle with supplemental feed and to extend their feeding season.

"We're just in a harsh transition period," Mr. Pearce said. "We'll keep praying for rain and manage."

Unlike parts of the American West, which have been mired in long-lasting droughts in recent years, Florida and the Southeast are prone to shorter, intense droughts that escalate quickly and then abate, said David Simeral, a climatologist at the Desert Research Institute in Reno, Nev., and author of the most recent Drought Monitor report. The current drought in Florida started in October and worsened over the course of an especially dry and warm winter, he said.



In Orlando, only 1.9 inches of rain fell in the first three months of the year, while about 7.5 inches is typical, said Will Ulrich, warning coordination meteorologist at the National Weather Service's Melbourne office. That made it the third-driest start to the year in the city based on records dating to 1892, he said.

A key factor driving the drought is a La Niña weather cycle that generates warmer and drier conditions in the South during the winter, said Brad Pugh, a meteorologist at the National Oceanic and Atmospheric Administration's Climate Prediction Center. That cycle recently ended, according to NOAA.

The drought has contributed to worsening wildfire conditions in Florida and predictions of above-normal potential for blazes in the peak wildfire season from April to June, said Agriculture Commissioner Wilton Simpson. Already, more than 1,000 wildfires have burned more than 35,000 acres in Florida since January.

"Central and South Florida are extremely dry," said Rick Dolan, director of the Florida Forest Service. "Lightning season is right around the corner."

Officials are particularly concerned about an area in southwestern Florida where Hurricane Ian struck last year and left heaps of forest debris on the ground that could fuel wildfires. Much of that area is now experiencing among the most intense drought conditions in the state.

Reports filed by Florida individuals and businesses affected by drought conditions with the National Drought Mitigation Center at the University of Nebraska-Lincoln climbed significantly in March, according to the center's data. They describe effects including dried-up watering holes for livestock, wilting grass and poor crop conditions.

Terri Bates, whose family business in Lake Placid grows caladiums—flowering plants native to South America—said the drought was the main reason the operation experienced a 65% loss in the recently concluded season. She said her father, who is 86, called it the worst crop he had ever seen.

To prepare for the coming season, Ms. Bates said the business, Bates Sons & Daughters, invested $80,000 to redo its irrigation system. And she is hoping that the rainy season that typically starts in mid-May will deliver relief this summer.

"You can irrigate all you want, but it's not the same as rainfall," Ms. Bates said.

Gigantic Rodents Unwelcome

Continued from Page One

lurk in marshes!" Virginia's Department of Wildlife Resources warns on its website.

Beleaguered states are looking to Maryland for inspiration. Federal and state officials in Maryland spent more than two decades and $30 million to eliminate nutria, and officials there say they're ready to help other states.

Trevor Michaels, a supervisory wildlife biologist at the U.S. Department of Agriculture, led Maryland's eradication effort. His team covered nearly half a million acres of land and marsh hunting for the invasive rodent using a technique dubbed "rolling thunder," where they worked in a grid to systematically trap and remove nutria before moving on to the next area. In 2015, 14,000 of the rodents later, Maryland captured its last nutria—though it didn't officially declare the species gone from the state until last year.

"We went a year or two before any of us really thought that those were the last ones," Mr. Michaels said. "We really didn't believe it."

California is already employing parts of Maryland's playbook, and hopes to use scent dogs that worked in Chesapeake Bay to ferret out nutria in the Sacramento-San Joaquin River Delta. Golden State officials also are looking to improve on a "Judas nutria" strategy used in Maryland, where a few of the animals were trapped and fixed, outfitted with radio collars, then released to lead officials to other nutria.

"Nutria don't have necks, so it's an extreme challenge to try and collar them," said Valerie Cook, manager of California's nutria eradication program. Instead California wants to use satellite-enabled tags that can be tracked remotely.

California Rep. Josh Harder said he first learned of the nutria problem from farmers in his district complaining of the giant rodents chomping on their almond trees.

Not long after, he showed up in Congress with a mounted nutria named Nellie which he'd borrowed from the USDA—to lobby for expanding the Nutria Eradication and Control Act of 2003 beyond its two original states, Maryland and Louisiana. Once everyone saw Nellie's size, he said, it was a pretty easy sell—the act now applies to all infested states.

Even the famously friendly Midwest is hiding its welcome mat after two of the creatures were caught in beaver traps in Illinois in 2022.

The Illinois Department of Natural Resources is working with the USDA's Wildlife Services to survey for nutria. Wildlife Services, which helps eradicate invasive species, offed more than 1,500 nutria in 2022.

That's a sliver of the 400,000 nutria that Louisiana tries to eliminate each year. Its swamp lands are so infested that it offers a nutria bounty, currently set at $6 for every tail brought in during the state's nutria hunting season.

Louisiana has paid $30.2 million in bounties for 6.1 million nutria harvested since beginning its Coastwide Nutria Control Program in 2002.

Nutritious nutria?

The nutria's voracious eating habits—they consume up to a quarter of their weight daily—have damaged thousands of acres of Louisiana coast, turning some wetlands into open water.

Louisiana received grant money in the late 1990s to research the nutritional content of nutria meat and market it as a human food source, but the effort went nowhere.

"It was really ahead of its time," says Jennifer Hogue-Manuel, a state biologist with the Louisiana Department of Wildlife and Fisheries, who has hunted and eaten nutria. "Nowadays there is so much more interest in eating local and trying unusual things thanks to the Food Network."

Rick Boatner, with Oregon's Department of Fish and Wildlife, advises preparing nutria in a slow cooker as if making pulled pork. It isn't a popular suggestion.

"Most people think, something with a rat tail I am not going to eat," says Mr. Boatner, an invasive species biologist.

Despite the havoc they wreak, nutria have a few fans. A Louisiana couple recently made headlines when state wildlife officials tried to seize Neuty, a nutria they'd rescued from the roadside in late 2020 after its mother and siblings were killed by a vehicle.

"I had no interest in ever raising a nutria but he was so cute," Ms. Lacoste said. "They destroy the land, I know all of this and we took a chance when we kept him as a baby."

It wasn't long before Neuty became a local celebrity, catching attention whenever Ms. Lacoste's husband, Denny, took the nutria along on errands in his truck, prompting pictures and social-media posts. Authorities last month granted Neuty a reprieve.

"My husband would've been devastated," Ms. Lacoste said. "He's obsessed with him."

WORLD NEWS

U.S. Hasn't Been Allowed to See Reporter

Moscow has been slow to grant consular access in other cases of detained Americans

By Louise Radnofsky And William Mauldin

Nearly two weeks after Russian security agents picked up Evan Gershkovich at a restaurant during a reporting trip, Moscow still hasn't granted U.S. Embassy officials permission to visit The Wall Street Journal reporter in detention—a pattern that follows other cases of American citizens jailed in Russia.

Consular access has been a regular point of contention between Washington and Moscow for years. The U.S. frequently has accused Russia of ignoring international law in depriving Americans of proper diplomatic representation.

"Russia not following through on meeting its obligations to consular access—never mind the practice of detaining people arbitrarily for political purposes—is going to do even more damage to Russia's standing around the world, standing that has been in free fall," Secretary of State Antony Blinken told reporters Tuesday. "It sends a very strong message to people around the world to beware of even setting foot there, lest they be arbitrarily detained."

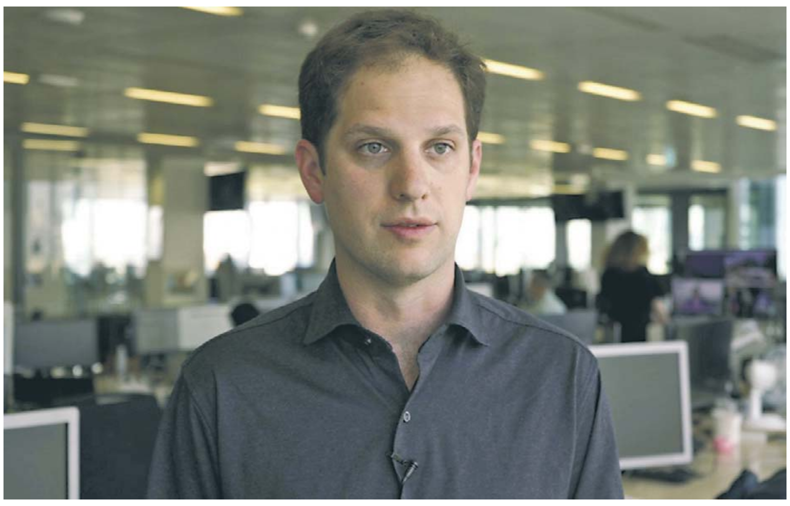
A State Department spokeswoman said Russia hasn't given the U.S. a legitimate explanation for denying access to Mr. Gershkovich.

On Monday, Mr. Gershkovich officially was deemed by the U.S. to be "wrongfully detained," a move that effectively commits the U.S. government to securing his release.

Russia's Foreign Ministry spokeswoman, Maria Zakharova, said last week that Russia would allow U.S. consular access in due course under standard Russian procedures.

U.S. officials have said that consular access is important to be able to see firsthand how an American citizen is doing—and because it is a matter of international law. The State Department also says the U.S. has a bilateral agreement with Russia that requires timely notification of the arrest of a U.S. national, as well as consular access, "without delay."

Mr. Gershkovich, 31 years old, was detained March 29 while on a reporting trip and accused of espionage, an accusation the Journal and the U.S. government vehemently deny. He is accredited to work as a journalist in Russia by the country's Foreign Ministry.



THE WALL STREET JOURNAL

WSJ journalist Evan Gershkovich was detained March 29 while on a reporting trip and accused of spying.

The Wall Street Journal's publisher, Almar Latour, said on April 4 that lawyers, retained by Dow Jones, met with Mr. Gershkovich in prison.

The State Department said Russian officials only informed them officially over the weekend about Mr. Gershkovich's arrest, and spokesman Vedant Patel said Monday that the U.S. has tools, which he didn't identify, to hold Russia to account.

"I'm not going to get into what measures, steps we're taking or might take," Mr. Blinken said Tuesday.

A State Department spokeswoman said the Russian Federation generally makes it difficult for the embassy in Moscow to visit detained U.S. citizens.

In the early days of basketball star Brittney Griner's detention, top State Department officials were railing that consular access to U.S. citizen detainees was consistently and improperly denied for months.

Ms. Griner landed in Moscow on Feb. 17, 2022 and was detained after authorities said they found drugs in her luggage. News of her arrest emerged on March 5. The State Department announced on March 23 that a consular visit had occurred.

Ms. Griner subsequently was convicted of drug smuggling and possession, and transferred to a penal colony. But U.S. concerns about consular access and notification persisted even in the days leading up to Ms. Griner's eventual release, through a prisoner exchange for Russian citizen Viktor Bout, who was sentenced in the U.S. in 2012 to serve 25 years as a result of an arms-trafficking sting operation.

There also have been long delays in access to U.S. citizen Marc Fogel, a Pennsylvania teacher who is serving a 14-year sentence after his arrest in August 2021 for carrying about 17 grams of cannabis that a doctor recommended for a spinal condition. The U.S. has asked Moscow to release him on humanitarian grounds.

Mr. Fogel's sister recalled that he had a consular visit in November 2021, and in November 2022, with the embassy attempting to visit him between those two dates but being denied. Embassy representatives attended his public trial. He was sentenced in 2022 and sent to a penal colony. He was visited there in February 2023, and the embassy is trying to arrange another visit for May.

—Daniella Cheslow contributed to this article.

Watch a Video

Scan this code to watch a video on efforts to free Evan Gershkovich.

Biden Speaks With Parents of Jailed WSJ Journalist

By Andrew Restuccia

WASHINGTON—President Biden spoke with the parents of detained Wall Street Journal reporter Evan Gershkovich, telling them that his administration is working to secure their son's release from a Russian prison.

In the conversation, Mr. Biden "made it clear that his national security team has been and will remain focused on securing Evan's release, as well as that of Paul Whelan, both of whom are wrongfully detained in Russia," White House press secretary Karine Jean-Pierre told reporters. White House officials declined to provide additional details about the call, citing the family's privacy.

Mr. Gershkovich was detained last month while reporting in Russia. Mr. Whelan, a former U.S. Marine and corporate security executive from Michigan, has been held since 2018, and was subsequently convicted of espionage.

"The charges against Evan are completely baseless. He should be released immediately," Ms. Jean-Pierre added. The U.S. considers Mr. Whelan's espionage conviction to be bogus.

Mr. Biden told reporters earlier Tuesday that he planned to call Mr. Gershkovich's family from Air Force One after failing to reach them Monday. He called Mr. Gershkovich's detention "totally illegal."

Mr. Gershkovich's family said they appreciated Mr. Biden's assurances during the call that "the U.S. government is doing everything in its power to bring him home as quickly as possible."

"In addition to being a distinguished journalist, Evan is a beloved son and brother. There is a hole in our hearts and in our family that won't be filled until we are reunited," the family said.

The State Department on Monday designated Mr. Gershkovich as "wrongfully detained," launching a broad U.S. government effort to exert pressure on Russia to free him. His family said they were encouraged by the designation.

"We're certainly having discussions about what we can do to get him released," said National Security Council Coordinator for Strategic Communications John Kirby. "I don't want to go into details about these internal deliberations. Having things out in the public sphere this early might actually make it harder to get Evan and Paul home."

Kremlin spokesman Dmitry Peskov said Tuesday he didn't understand what changes the designation might bring.

Lawyers representing Mr. Gershkovich on behalf of the Journal reported last week that Mr. Gershkovich was in good health and grateful for the outpouring of support from around the world, said Emma Tucker, editor in chief of the Journal.

Mr. Gershkovich, 31 years old, grew up in New Jersey. His parents, Ella and Mikhail, are Soviet-born Jewish exiles who settled in the U.S. Mr. Gershkovich, who spoke Russian at home with his family, moved to Russia as a journalist in 2017 and joined the Journal in January 2022.

—Ken Thomas and Andrew Duehren contributed to this article.

Whelan Family Says He Fears Being Left Behind Bars Again

By Louise Radnofsky

Paul Whelan, the American held in Russia for more than four years, has learned of the detention of Wall Street Journal reporter Evan Gershkovich and is afraid of being left behind again in negotiations between Washington and Moscow, his family said Tuesday.

Mr. Whelan has twice seen other Americans freed in prisoner exchanges that didn't include him, underscoring one of the harshest aspects of the dealmaking involved in the U.S. government's detainee diplomacy.

His family said Tuesday that a third exchange that didn't also include Mr. Whelan "would be an unconscionable betrayal."

The U.S. considers Mr. Whelan to be wrongfully detained and his espionage conviction to be bogus. But it has said that so far, it has been unable to secure an agreement with Russia to release him. Officials have said that they haven't been choosing between which American to bring home, but instead have faced the option of bringing home a detained American for whom they could reach a deal or bringing home no one.

His siblings—including his twin brother, David Whelan, serving as a family spokesman, and sister, Elizabeth Whelan—have said they would do everything in their power to prevent such a scenario from occurring again.

"Paul's fear of being left behind a third time was apparently palpable in his conversation with our parents yesterday," David Whelan said in a statement Tuesday. He has said he wants his parents, who are in their 80s, to see their son again in their lifetimes.

"We have asked our parents to express to Paul that Elizabeth and I can't conceive a scenario where the U.S. government conceded anything to the Kremlin for an American's release that did not include Paul," David Whelan said.

The State Department office that oversees efforts to free detainees didn't respond to a request to comment on the statement, but U.S. officials have said that Paul Whelan's case remains a priority.

SHAMIL ZHUMATOV/REUTERS

Paul Whelan has been in a Russian prison for more than four years.

White House press secretary Karine Jean-Pierre said Tuesday that President Biden's national security team is focused on securing the release of Mr. Gershkovich and Mr. Whelan.

David Whelan said his brother learned of Mr. Gershkovich's case either through Russian media or U.S. Embassy officials who called him Monday.

That same day, the U.S. State Department said it had designated Mr. Gershkovich as "wrongfully detained," opening a broader U.S. government effort to secure his release.

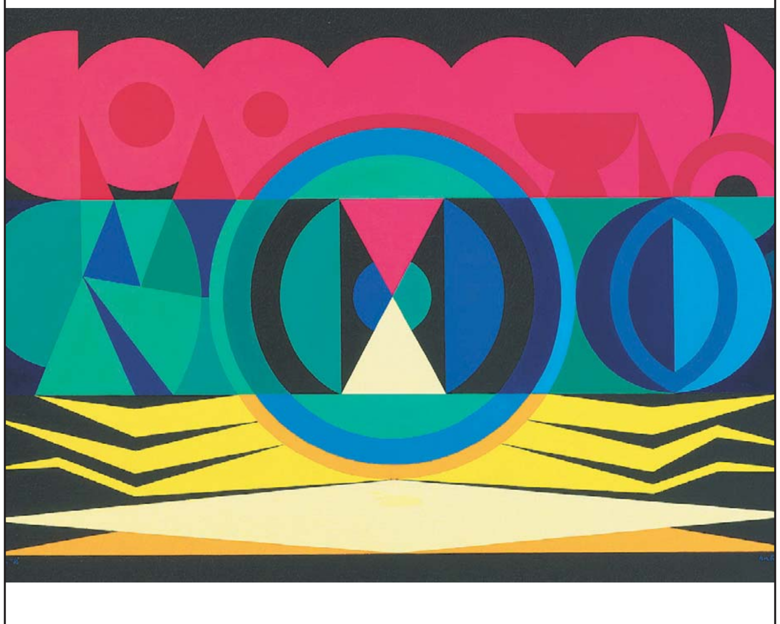
Mr. Whelan, a 53-year-old corporate security executive and former U.S. Marine from Novi, Mich., has been held in Russia since late 2018. He, his family and the U.S. all consider the espionage charge against him to be fabricated. He was convicted in 2020 and sentenced to serve 16 years in a penal colony. The "wrongful detention" designation was established in law in late 2020, and subsequently applied to Mr. Whelan.

Where some other detainees have been buoyed by public campaigns to secure their release, often through their employer and colleagues, the effort against Mr. Whelan's detention has been spearheaded by his family. While relatives have been happy for the other Americans brought home, they are devastated for Paul.

The first occasion of him learning of another American's release came in April 2022, when fellow former Marine Trevor Reed was freed from serving a nine-year sentence after being convicted of assaulting police officers, in a deal in which the U.S. let go Konstantin Yaroshenko, a Russian pilot convicted of drug smuggling. He had been held since 2019.

The second came in December 2022, when basketball star Brittney Griner was swapped for Viktor Bout, a Russian businessman convicted of arms dealing. She was held for about 10 months on a drug conviction.

—Ann M. Simmons and Nancy A. Youssef contributed to this article.



PURE ABSTRACTION
AUGUSTE HERBIN

Dramatic composition. Vivid juxtaposition. Bold originality.

This original work by pioneering French modernist Auguste Herbin stands apart for its daring color palette and crisp composition. *Aoum II* embodies Herbin's signature "alphabet plastique," a synergistic visual language of color and form that he detailed in the book he wrote and published. The painting's tiered application of color creates three registers giving narrative structure to the composition's dazzling pure abstraction. Oil on canvas. Signed and dated "Herbin 1944." Canvas: 25"h x 39"w. Frame: 34 3/8"h x 48 1/8"w. #31-6584

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Leaks Won't Upend Kyiv's Plans

Ukraine is confident in counteroffensive despite intelligence breach, Austin says

By William Mauldin

LIBKOS/ASSOCIATED PRESS

A Ukrainian soldier holding an automatic grenade launcher in a trench on the front line in Bakhmut, eastern Ukraine, on Monday.

Defense Secretary Lloyd Austin said Ukraine remains confident in its ability to launch its counteroffensive against Russia amid the fallout from apparently leaked U.S. intelligence documents.

Defense Minister Oleksii Reznikov "feels that they're in a pretty good position," Mr. Austin told reporters Tuesday after speaking with his Ukrainian counterpart. "And we'll stay focused on continuing to generate security assistance capability so that they can continue to be successful, whenever they choose to take up offensive operations."

Washington is seeking to assess the damage from an intelligence breach that could be one of the most significant leaks in recent history after images of seemingly highly classified U.S. documents publicly surfaced in early April.

The unauthorized disclosures appear to provide details about Ukraine's military, intercepted communications about U.S. allies such as Israel and South Korea, and details of American penetration of Russian military plans, among other topics.

U.S. officials have been reaching out to allies in recent days in an effort to contain any damage to Washington's relationships around the world. "We have engaged with allies and partners at high levels in the past days," Secretary of State Antony Blinken said at a news conference with Mr. Austin and senior Filipino officials.

Mr. Blinken spoke Tuesday with Ukrainian Foreign Minister Dmytro Kuleba to reaffirm support for the country. Messrs. Blinken and Austin declined to comment on specific actions Ukraine might take in an effort to recapture territory seized by Moscow.

"They have a great plan to start, but only President [Volodymyr] Zelensky and his leadership really know the full details of that plan," Mr. Austin said. "I have every confidence that they will do what great leaders do: They will fight the enemy and not be driven by a specific plan."

The Wall Street Journal wasn't able to independently authenticate the documents, but they contain enough detail to give them credibility. Defense officials have said they believe some of the documents could be authentic, though some also appear to have been altered.

Rep. Jim Himes, the top Democrat on the House Intelligence Committee, told the Journal that he expected to learn more about the leak when he returned to Washington from recess.

"I don't know how much is authentic," said the Connecticut lawmaker. "It's devastating. I just don't see how this doesn't end up meaning dead Ukrainians; it just breaks my heart. It's hard to imagine what would motivate someone to do this."

Mr. Himes said the reports of the documents being photographed and folded, perhaps to be smuggled from a secure facility, were strange and said it added to calls to reform how documents are secured.

"This is the first leak where you can sort of imagine fatalities as a result, quickly," he added. "No leak is good but there's no doubt in my mind that the only people scrutinizing this harder than the American [intelligence community] are the Russians."

James Bamford, author of several books on intelligence operations, said the leak of classified U.S. intelligence was the latest in several cases that reflected the government's inability to secure its secrets.

"I think the public needs to be aware of how poorly the intelligence community and the FBI counterintelligence people keep track of the intelligence that passes through the government each day," he said in an interview with the Journal.

—Natalie Andrews and Daniella Cheslow contributed to this article.

Moscow Puts Curb On Draft Dodging

By Matthew Luxmoore And Yuliya Chernova

Russia passed a bill allowing military officials to issue online draft notices and increasing punishment for suspected draft dodgers, making it harder for those called up to evade being mobilized to fight in Ukraine.

The new law, which is expected to come into force this week after Russian President Vladimir Putin signs it, gives recruitment officers the right to send summonses to Russian men over the government's main online portal, which Russians use for basic state services such as registering a new home or getting a doctor's appointment.

When Russia launched a nationwide mobilization drive in September, calling up 300,000 reservists, many men of fighting age stayed home and avoided answering the door for fear of being handed a physical summons. Some large apartment complexes in Moscow set up WhatsApp and Telegram groups where doormen or security guards alerted residents when officials arrived in the building to present draft notices.

While the Kremlin has denied it plans a fresh mobilization beyond the regular annual draft, a digital summons system could upend these means of evading the call-up.

According to the new law, an electronic summons steps into force from the moment it is issued, obliging the recipient to visit his local recruitment office on a specific day.

The law also makes it impossible for a person named in a summons notice to leave the country. After the previous mobilization was announced, tens of thousands of Russian men crossed the border into neighboring countries including Armenia, Georgia, Mongolia and Kazakhstan, and the new bill appears aimed at preventing such an exodus.

Further penalties could follow for those who don't respond to a summons, including driving bans and curbs on buying and selling real estate or taking out loans, Andrey Kartapolov, chairman of the defense committee in the lower house of Russia's parliament, told Russian media.

The bill doesn't replace the system of physical summonses that will remain in force.

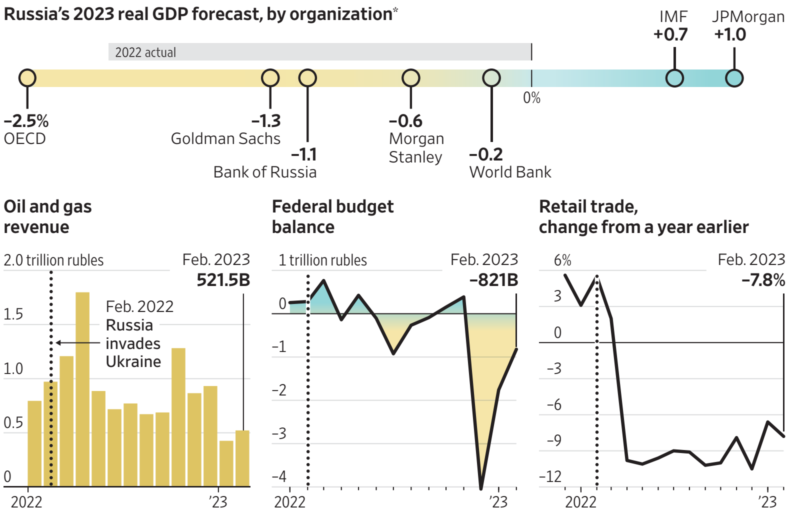
The legislation has prompted further anxiety among Russian men who fear being drafted into the war in Ukraine, which U.S. officials say has already claimed more than 35,000 Russian lives.

A Russian man in his early 20s, who lives outside Moscow and has been avoiding public spaces for fear of being handed a summons, said the new law will make it impossible for him to avoid being drafted. "I knew that this was coming," he said.

On Tuesday, Russian lawmakers and Kremlin officials denied that a new mobilization is being planned. Speaking to reporters shortly before Russia's lower house of parliament passed the bill, Kremlin spokesman Dmitry Peskov said the new law is aimed at streamlining the broader process of military recruitment, adding that there would be further public guidance.

Kremlin's Economic Veil Complicates Forecasts

By Stephanie Stamm And Yuka Hayashi



*Forecasts from the most recent revised reports from all outfits. Note: 1 trillion rubles = $12.3 billion
Sources: the companies and organizations (forecasts); the Bank of Russia (2022 actual); Ministry of Finance of the Russian Federation via CEIC Data

Russia's economy is slated to grow 1% this year, according to JPMorgan Chase & Co. Or shrink 2.5%, if you ask the Organization for Economic Cooperation and Development.

Those two figures bookend forecasts from a handful of companies and organizations, illustrating the challenge economists face in surveying Russia's economic conditions.

When the Kremlin stopped sharing some key economic data—including figures on banks, oil and debt—in the first few months after Russia's invasion of Ukraine in February 2022, economists were left to reverse-engineer unconventional data sources to draft their assumptions.

The visibility has improved slightly lately since Russia has been publishing select data series for the first time since early in the war. In addition to exports and imports, Russia has resumed publication of data on gold as part of international reserves and some key banking-sector indicators such as profitability, capital position and liquidity.

Before the invasion, Russian data were widely accepted by independent economists. That changed after the start of the war and the statistics are now the subject of debate.

Jeffrey Sonnenfeld, Lester Crown Professor in the Practice of Management at Yale School of Management and founder and chief executive officer of the school's Chief Executive Leadership Institute, says forecasts based on official data are misleading because data provided by the Russian government lack credibility.

With that caveat and the data available, economists' forecasts vary widely.

JPMorgan has the most positive forecasts for this year: gross domestic product growth of 1%. The company declined to comment.

The International Monetary Fund also has a positive forecast: 0.7%, up from its January forecast of 0.3%.

"They have been able to maintain quite a bit of momentum in their economy by taking very strong fiscal measures," said Pierre-Olivier Gourinchas, the IMF's research director.

The country's export revenues also have been resilient, he said, as it has found alternative buyers for its energy products following an import ban by Western European countries.

The OECD has the most negative outlook, though it raised its 2023 outlook for Russia to minus 2.5% from its figure of minus 5.6% last fall.

OECD's explanation: "The impact of the measures taken against Russian energy exports has also been more limited than initially expected, with Russia largely maintaining export levels by expanding sales in other markets, albeit at substantially discounted prices."

Petya Koeva Brooks, the IMF's deputy research director, acknowledges there is indeed less data available than before the war.

"We're using what is available through the official sources, as well as a number of other indicators provided by third parties, including on exports and imports and such where one can look at the numbers in a broader context," she said.

The groups have a tighter range of figures for next year.

In the absence of some conventional economic data, economists have been forced to adjust their models for forecasting Russia's economy, relying on indicators such as oil shipments and prices, trade and federal budget deficit. When looking at these factors, it appears Russia's economy is unraveling.

Even as it revised upward its forecast for Russia's 2023 growth, the IMF expects the war's impact will shave 7 percentage points from its earlier expectations by 2027.

"The people of Russia are harmed massively by Russia's invasion of Ukraine. The GDP numbers don't fully disclose that," World Bank President David Malpass said Monday. "It has to do with their life, their living standards and the exit of many young people from Russia."

Two weeks ago, Wall Street Journal reporter Evan Gershkovich—who most recently wrote about the impact of Western sanctions on Russia's economy—was detained by Russian authorities on charges of espionage. The Journal vehemently denies the charge against Mr. Gershkovich and continues to call for his immediate release.

Companies Move Jobs Overseas

Continued from Page One

professionals and payroll administrators could move overseas in the next decade, according to Nicholas Bloom, an economist at Stanford University.

Office offshoring isn't new. Cities such as India's Bengaluru have long been teeming with call centers. What is changing is that more companies are moving highly skilled jobs abroad. Labor shortages mean many companies struggle to hire in the U.S., while immigration-bureaucracy backlogs and a lack of visas make it harder to bring in employees from overseas. Hiring abroad offers a solution.

"1980 to 2019 was the rise of manufacturing globalization, which eventually stalled out with the China-U.S. trade war," Mr. Bloom said. "From 2020 onwards we will see the era of service sector globalization."

Moving positions abroad has its challenges, including language barriers. Dispersed teams also can have a harder time training new workers. But hiring workers overseas allows companies to respond to U.S. labor shortages, add talented workers and cut back on their wage bills, easing pressure on inflation, Mr. Bloom said.

At the same time, the rise in offshoring is the latest warning sign for U.S. office landlords already grappling with weak demand as a result of remote work. It is also bad news for U.S. skilled office workers whose wages have surged in recent years.

Skilled workers in developing countries, meanwhile, stand to benefit. When Mexico City-based tech worker Benci Ruiz got an email from an International Business Machines Corp. recruiter in September 2021, she initially thought it was spam. She now makes around $2,000 a month working remotely as a mobile-app developer, which she said is about double what she could earn at a local company. Benefits are better, too, and she doesn't have to commute every workday, which took up around three hours a day at a prior job.

"I can eat and pay rent, and also save and invest," she said.

In Bengaluru, Western firms are hiring more accountants and risk analysts, said Indy Banerjee, a partner and head of Asia offshoring at McKinsey & Co., a business consulting firm. Mr. Taylor, the human-resources association CEO, said he is seeing more companies outsource legal, finance and technology departments.

"There was a time when I would have said 'there's no way you can have these sorts of jobs be done remotely,' and I don't say that anymore," Mr. Taylor said. "The pandemic proved the point for us."

20%
Estimate of how many workers at financial firm Q2 are abroad

Office offshoring is spreading beyond traditional destinations like India, creating new zoomtowns overseas. European firms are increasingly hiring in cities such as Tbilisi, Georgia, and Yerevan, Armenia, which offer plenty of skilled workers, including many recent refugees from Russia, according to Deel. Latin America, which shares time zones with the U.S., is also benefiting.

CodersLink, an outsourcing company that helps clients recruit Latin American tech workers, said inquiries from U.S. firms have grown fourfold over the past two years.

Q2, an Austin, Texas-based financial firm, outsourced around 90 jobs in engineering, product design, project management and other fields to Mexico over the past year. Executives first discussed the idea in August 2020, said Kim Rutledge, Q2's executive vice president of people. Competition for tech workers in Austin was fierce and Q2 struggled to fill open positions. The pandemic had convinced the firm's executives that many roles could be done remotely.

"As Texans we spend a lot of time in Mexico and so we felt like that would be a good place to go," Ms. Rutledge said.

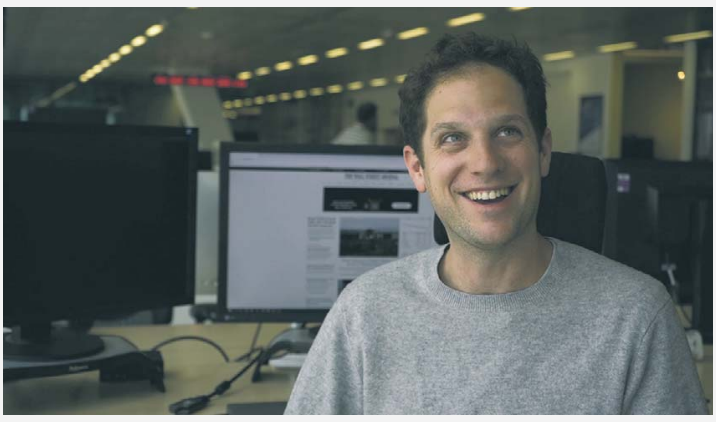
Q2 moved some jobs to Mexico after U.S. employees left the firm, but most positions were newly created as the company grew, Ms. Rutledge said. The company's Mexican workers, who are employed by CodersLink and work for Q2 under a contract, are spread throughout the country with many in the cities of Monterrey and Guadalajara.

Around 20% of the firm's workforce is now abroad, primarily in India and Mexico. "My expectation is that that will grow pretty significantly over the next few years," Ms. Rutledge said.

Our friend and colleague, ***Evan Gershkovich****, was detained in Russia on March 29 during a reporting trip and accused of espionage. The Wall Street Journal and the U.S. government vehemently deny the allegation and have called for his immediate release.*

Evan's Journal colleagues will be sharing stories of their work with him each week.

To show support for Evan, please follow the latest updates at ***WSJ.com/Evan*** *and add the hashtag* ***#IStandWithEvan*** *across social media.*



Evan is a remarkable young man, and in particular, a remarkable journalist. I chose Evan to join the Moscow bureau because he stood out from the pack. He is very passionate about Russia, about Russians and about the Russia story. That is undeniable. His energy and enthusiasm are infectious—that's one thing you can't help but notice when you work with Evan.

The very fact that Evan is of Russian heritage plays a great role. He understands Russian attitude, culture and tradition, and that's critical to be able to do this job in a really delicate and effective way. He is able to be in any room in Russia, and because he is bilingual, he understands the nuances of a situation that maybe someone who is transplanted into the culture wouldn't understand. He's very good at getting the intimate details, knowing when to be diplomatic, forceful or show deference—a valuable tool in a reporter's tool kit in order to be successful.

As a young person, Evan has shown that he is able to go into any situation and be flexible. I think about some of the stories he has told even before he joined the Journal—like being out in Siberia covering wildfires and wanting to remain in the field, camping overnight in order to be on the front lines of the story. He didn't want to just remain in Moscow, but wanted to go out to the Russian hinterlands to find out what people think outside of the urban environment.

Evan wanted to report from Russia because he really felt that there was a story to be told here. Not just about the politics or the tensions between the U.S. and Russia, but about people. Evan is very much about telling human stories.

Evan is someone who belongs in a newsroom. He does not belong in jail.

Ann Simmons
WSJ Moscow Bureau Chief

#IStandWithEvan

THE WALL STREET JOURNAL.

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China Consumer Price Growth Eases

By Jason Douglas

SINGAPORE—Inflation in China eased for the second straight month in March despite signs of a pickup in the economy, a cautionary signal on the strength of the nation's recovery as it emerges from nearly three years of strict Covid-19 controls.

Consumer prices rose just 0.7% in March from a year earlier, China's National Bureau of Statistics said Tuesday, the lowest annual rate of inflation since September 2021.

March's reading was weaker than the 1.0% annual rate recorded in February and the 0.9% rate expected by economists polled by The Wall Street Journal.

The figures suggest the lifting of Covid controls in China isn't generating the kind of broad price pressures that propelled inflation sharply higher in the U.S. and other major economies as growth revved up after the worst of the pandemic passed.

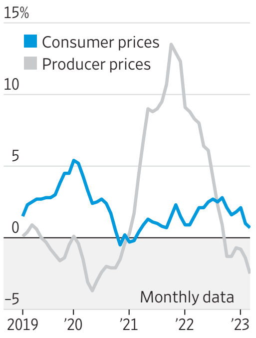
Part of the reason is weakness in the labor market, which tends to keep a lid on price growth. Unemployment in China is stubbornly high—especially among young people—with just more than 18% of those aged 16 to 24 out of work in February.

But it might also suggest that domestic spending isn't yet delivering as potent a revival as was hoped.

While signals from business surveys, cinema box-office receipts and traffic and public transit data suggest China's economy bounced back in the first quarter of the year as consumers flocked back to stores and restaurants, other data imply consumers are wary about spending on cars and other big-ticket items, while continuing to sock away cash rather than run down savings.

The slowdown in inflation, said Ting Lu, chief China economist at Nomura in Hong Kong, "suggests post-Covid recovery momentum remains weak."

China's consumer- and producer-price indexes, change from a year earlier



Source: National Bureau of Statistics

Official data on first-quarter growth in China is set to be published next week. Economists expect an expansion of about 4% compared with a year earlier, according to a Wall Street Journal poll of 17 economists. The government has set a target of around 5% growth for the year as a whole.

Economists say the real test for growth will come later in the year when the immediate boost to spending from Beijing's abrupt decision in December to dismantle Covid controls fades.

Already, other engines of Chinese growth are sputtering. Exports are sinking as rising interest rates pinch Western consumers and businesses, while real-estate construction has collapsed after a long boom and attempts by policy makers to rein in debt.

Still, in contrast to Western economies, weakening inflation means the People's Bank of China should have more space to support economic recovery with easy money policies.

"The likelihood of a PBOC rate cut is rising," said Zhiwei Zhang, an economist at Pinpoint Asset Management.

—Grace Zhu contributed to this article.

Beijing Is Working On Debt Compromise

China is negotiating a compromise plan with other major creditors that could help break a logjam in multibillion-dollar debt-relief talks for struggling developing nations, people familiar with the talks said.

By Alexander Saeedy, Lingling Wei and Gabriele Steinhauser

Beijing has been pushing for multilateral lenders such as the World Bank and International Monetary Fund to join it in taking losses in debt-restructuring deals, these people said. They said the new plan, if agreed, could see China drop this demand in return for big multilateral lenders and regional partners such as the Asian Development Bank and African Development Bank making more explicit commitments to provide fresh low-cost financing, including grants, to countries whose debt is being restructured.

It could help break an impasse that has held up an agreement by China and other government creditors to restructure the debts of Zambia and serve as a model for multibillion-dollar debt-relief deals for other developing countries in financial distress, the people said. Negotiations could then move on to the details of Zambia's debt restructuring, such as extending repayment deadlines and lowering interest rates. China continues to oppose taking losses on the face value of its loans, said people close to Beijing's decision making.

Economic policy makers from around the world will discuss the debt plan during the semiannual gatherings of the International Monetary Fund and the World Bank in Washington this week.

Rising global interest rates, along with investor concerns about the war in Ukraine and international banking troubles, have made it more expensive for many developing countries to borrow. According to the IMF, around 60% of low-income countries are at high risk of or already in debt distress, the moment when a country can no longer pay its creditors.

On Wednesday, Chinese officials will join representatives of other major developing-country creditors for closed-door talks, known as the Global Sovereign Debt Roundtable, convened by the IMF, the World Bank and the Indian government, which holds the presidency of the Group of 20 major economies. Big private creditors, such as U.S.-based asset manager BlackRock Inc. and London-based bank Standard Chartered PLC, are also part of the roundtable.

During the past two decades, China has become the dominant government creditor to developing countries, lending almost as much as all other governments in the world combined. As several developing countries have defaulted on loans from China and Wall Street fund managers, Chinese officials have questioned some of the rules related to the international processes that normally govern debt relief, such as shielding multilateral lenders from losses during a debt restructuring.

The U.S. and European governments have opposed Beijing's demand that multilateral lenders also write down their loans, arguing that doing so would be tantamount to a bailout for China.

Multilateral lenders are responsible for about half of low-income countries' external debts. But because their loans come at low interest rates and they are expected to keep financing countries when other creditors pull out, they are usually spared from losses during debt restructurings.

In recent weeks, Chinese officials appear to have softened

The plan could see China drop a demand for multilateral lenders to take losses.

their position on multilateral lenders, said people familiar with the discussions.

New low-cost financing from development banks, including grants, would help close some of the funding gaps faced by countries emerging from default and could be seen as a form of burden-sharing during a debt restructuring, the people familiar with the discussions said.

People close to Beijing's decision making confirmed that China has been in talks about a potential compromise on the role of multilateral lenders. But, those people said, Beijing still has questions about how new financing commitments would be made.

Young Retirees Stress Chinese Coffers

By Liyan Qi

For decades, in China, middle age has been when many people start to get ready for retirement.

China has one of the lowest retirement ages among major economies. Under a policy unchanged since the 1950s, it allows women to retire as early as at age 50 and men at 60. Now, local governments are running out of money just as a wave of retirees hits. That is leaving Beijing with little choice but to ask people to work longer—a move economists say is long overdue but likely to meet with resistance.

GUO FAMILY

Guo Jinyi retired last year at age 50, a standard for women.

China's version of "baby boomers"—those born after China emerged from devastating starvation in the early 1960s—are retiring in droves. Even with government subsidies, by 2035 China's state-led urban pension fund will run out of money accumulated over the previous two decades, leaving it to rely entirely on new workers' contributions, according to projections made in 2019 by the Chinese Academy of Social Sciences, a government think tank.

The Ministry of Human Resources and Social Security estimates that more than 40 million Chinese—more than the population of Canada—will retire over the five-year period ending in 2025. The working-age population—usually defined in China as those between 16 and 59—is expected to drop by 35 million in the same period, illustrating the shortage of young contributors.

"The pension system in China needs to be prepared against a huge and severely aged population," former central bank Gov. Zhou Xiaochuan warned in a February speech, according to a readout of his remarks to a wealth-management forum. "Face the problem with the pension system. Don't dodge it."

Economists and demographers say Beijing may finally take action this year, as the economy is starting to recover and as Xi Jinping has secured a third term as China's leader—which makes an unpopular move less politically perilous.

Asked when China will announce a plan to raise retirement ages, the country's new premier, Li Qiang, said in March that the government would conduct "careful studies and sufficient analyses to roll out a policy prudently in due course."

Many countries face similar struggles. French President Emmanuel Macron's push to raise France's retirement age sparked protests.

Those 60 or older already account for one-fifth of China's population and are expected to be nearly half at the end of the century, according to United Nations estimates. By comparison, both France and the U.S. have larger shares of the 60-plus now, at 28% and 24% of their populations respectively, but that will rise less dramatically than in China, reaching 40% of French and 36% of Americans in the year 2100.

China's one-child policy, in place for decades before being scrapped in 2016, led to a dwindling number of women of childbearing age and a generation of only children who are less eager to marry and start a family.

"Everyone knows the current retirement ages are not sustainable," said Cai Yong, a sociologist at the University of North Carolina at Chapel Hill.

Guo Jinyi retired last year at the age of 50, after working at a state-owned insurer for more than 20 years. She receives a pension of 6,000 yuan a month, equivalent to $872, which she termed, "just enough to start the second chapter of my life."

"I'm lucky. I could retire on time. It's not really fair for young people to retire later," Ms. Guo said.

Investors Describe Guo Allure

Continued from Page One

of his followers who thought they were investing in his GTV Media Group and ventures that he said would help bring democracy to China and topple the Communist Party. Authorities said he instead took much of the money from his followers and spent lavishly on a $26 million home in New Jersey, a $37 million yacht, and a $4.4 million Bugatti sports car, among other items.

Mr. Guo pleaded not guilty at an arraignment in federal court in Manhattan. Lawyers for Mr. Guo didn't respond to requests to comment.

Many of the followers who gave money to Mr. Guo said not only did they not see the big returns he promised on their investments, they haven't gotten any of their money back. Some said they are assisting federal authorities with their investigation and wondering how they were taken in by Mr. Guo.

Ms. Liu said she was drawn in by Mr. Guo's image as a successful businessman. He dressed in impeccably fitted business suits and traditional Chinese robes. He lived on the 18th-floor of the Sherry-Netherland hotel on New York's Fifth Avenue.

Ms. Liu, who described herself as politically naive, said Mr. Guo's association with people such as Steve Bannon, an adviser to former President Donald Trump, also increased her trust in him. Mr. Bannon was arrested in August 2020 on Mr. Guo's yacht and accused of fraud in a scheme unrelated to Mr. Guo. He pleaded not guilty, and Mr. Trump pardoned him before he left office. Lawyers for Mr. Bannon didn't respond to requests to comment about his association with Mr. Guo.

NATALIE KEYSSAR FOR THE WALL STREET JOURNAL

Guo Wengui in 2017. He is charged with leading a conspiracy to defraud more than $1 billion from thousands of his followers.

Mr. Guo styled himself as a former Communist Party insider turned dissident, who had made his money in real estate and said he fled China in 2014. Mr. Guo said he believed Chinese authorities had been planning to arrest him as part of President Xi Jinping's anticorruption campaign and sought political asylum in the U.S.

Beijing countered Mr. Guo's criticism by calling him an attention-seeking criminal, charging him with bribery, kidnapping, fraud and other allegations, which Mr. Guo has denied.

Many followers were regular watchers of Mr. Guo's daily hourlong broadcasts on YouTube, where he would claim, in long rambling monologues, to have details of corruption by senior officials in China's Communist Party.

Zou Ruifang, a 35-year-old IT systems engineer, first came across Mr. Guo on YouTube in the summer of 2017, when Mr. Zou was still living on the southern Chinese island of Hainan. Mr. Guo's stories and opinions largely reinforced his own ideas about China, Mr. Zou said. As a university student, he had devoured books about U.S. history and politics and had come to admire American democracy. His mother was in conflict with the Communist Party for 10 years, he said, after getting pregnant with his younger brother during the era of China's one-child policy.

Mr. Zou, like other followers, was impressed by Mr. Guo's public outspokenness. "He seemed very courageous. I believed that he was a chance for China to become democratic," he said.

In May 2017, Chinese security agents met with Mr. Guo in his apartment at the Sherry-Netherland hotel and tried to pressure him to return to China, saying he would be treated favorably if he stopped inciting anti-Communist Party sentiment. Mr. Guo declined, and FBI agents later confronted the Chinese security agents before they returned to China.

Beijing's efforts to silence him and bring him back to China only made some of his followers more convinced he was telling the truth, they said. For Mr. Zou, the broadcasts soon felt like part of a routine, and it was reassuring to see Mr. Guo being able to do his live streams every day, he said.

Moved by the 2019 pro-democracy demonstrations in Hong Kong, Mr. Zou said he started donating to Mr. Guo's purported nonprofit organizations, the Rule of Law Foundation and Rule of Law Society, which Mr. Guo said would use the funds to support the protesters and fight the Chinese Communist Party. "I couldn't join them on the front line. So the least I could do was to give them some money," said Mr. Zou. In over a year, he said he donated $6,000 in total.

Ms. Liu began watching Mr. Guo's YouTube videos in 2019, she said. After he warned of chaos and violence in Hong Kong, she decided to cancel a trip to the city in August 2019. Later, images of protesters clashing with the police on the news made her grateful to have heeded his warning.

The next year, Mr. Guo began raising funds for a venture that he said would reap huge returns for investors—an independent media platform, called GTV Media Group, for Chinese speakers all over the world.

Prospective investors in GTV were asked to join the social-media platform Discord, some investors said. They said they were interviewed before they received instructions on how to invest. Li Zhenghua, a 42-year-old Chinese businessman in Novosibirsk, Russia, recalled being made to queue for hours before he was interviewed, getting increasingly worried that he would lose out on the opportunity.

The atmosphere in Discord was infectious, some investors said, with members egging each other on to invest more. "Everyone else seemed to believe it. So I believed it," said Ms. Liu.

Less than two months after pitching it to his followers, Mr. Guo purportedly had sold $452 million in GTV common stock to more than 5,500 investors, according to his indictment.

When Ms. Liu then started repeatedly asking for a receipt to confirm her investment and later demanded a refund in the following weeks, she said she got no response. Other investors who voiced similar concerns were criticized and attacked as spies for the Communist Party, they said. "The methods and atmosphere were just like the Cultural Revolution," Ms. Liu said.

Many of those who once followed Mr. Guo are now trying to get their money back and trying to come to terms with their actions.

Ms. Liu said the financial loss is giving her sleepless nights and high blood pressure. "I lost my family's trust and respect," she said.

Mr. Zou, who left China in 2020 and now lives in Houston, said he is trying to take responsibility and reflect on his actions. "I paid a learning fee but also learned a lot about human nature and the world," he said.

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Gen Z Hustles To Overcome A Stereotype

Ambitious 20-somethings debunk lazy label

By Lindsay Ellis

Being young and ambitious right now often means proving that you can be both of those things at the same time.

That applies even to 25-year-old Charu Thomas, who earned an engineering degree in 3½ years after completing high school in three years. She founded supply-chain software firm Ox at age 18, raised $3.5 million in funding and, in 2020, made it onto Forbes's 30 Under 30 list.

Yet in a breakfast with investors in the fall, she said they wanted to discuss "quiet quitting" and the motivation of younger entrepreneurs.

"They had this impression that Gen Z and younger founders were nonresponsive, were less legitimate, or lazier," said Ms. Thomas on a recent morning from her Bentonville, Ark., office. She had just spent much of the night in the office to oversee a Fortune 500 client's software deployment, she said, then attended a 9 a.m. staff meeting still in the T-shirt she'd worn the day before.

Such is life for many ambitious 20-somethings. Barely in the workforce, they are pushing long hours, building businesses, striving for promotions—even for their more-senior co-workers' jobs. At the same time they are running into perceptions that their age cohort cares more about work-life boundaries and rejecting "hustle" culture than scaling the career ladder.

Like Ms. Thomas, many say they are intent on knocking down the stereotype. "I don't want to be a representative of that kind of culture," she says.

Gen Z, typically defined as being born between 1997 and 2012, isn't the first generation to be typecast as it enters the workforce. Not long ago employers were hand-wringing over what they viewed as entitled millennials who, some bosses joked, wanted trophies just for showing up.

A growing body of survey research echoes the idea that workers in their early to mid-20s want control over how much they work. In a survey of nearly 5,000 adults by Prudential Financial last year, 43% of Gen Z workers said they went above and beyond in their jobs. More than half of millennials said they did, as did 62% of members of Gen X and 69% of baby boomers. A 2022 Gallup survey of about 15,000 U.S. workers shows younger millennials and Gen Z respondents reported declining levels of job engagement and higher rates of stress than other workers.

To show colleagues she works hard, 22-year-old Brianna Chang says she chooses to put in as many as 60 hours a week as a supply-chain planner at Microsoft Corp.

Ms. Chang said her work ethic was forged as a teenager, when she waited tables in her parents' Chinese restaurant in Bellingham, Wash. She's driven in part by the goal of making money to one day support her parents and says she's disheartened when she sees peers on social media saying they don't work hard.

But, she adds, that makes it easier for her to stand out.

"A lot of people my age, they are just stuck," she says.

Managers and recruiters say that remote work made it tough for some young workers to find mentors and learn professional norms in the office. As a result, many of these young workers struggle with resourcefulness, professional networking and communications with clients and co-workers, says Julia Lamm, a partner in PricewaterhouseCoopers' Workforce Transformation practice. Some also had to navigate layoffs at the start of the pandemic and are now on their second or third job since.

Jorge Tapia, a 26-year-old software engineer in Indianapolis, said he lets his work speak for itself as he wakes up at 6 a.m. to get to work an hour later. He's given priority to building relationships with colleagues since starting his position last year at a logistics technology and software provider. On his first week of work, he sat down with a man he didn't know in the office cafeteria.

The man turned out to be the company's North America chief executive, who told him how he approached his own career.

It was a valuable lesson, Mr. Tapia said: "If I could talk to my CEO, I could talk to my co-workers, my managers, openly."

Mr. Tapia said he is working hard in hopes of getting a promotion, which would raise his salary and allow him to better help out his mother and three siblings, ages 23, 15 and 8.

Financial security is important to Gen Z workers, according to interviews with and surveys of about 100 Gen Z workers between November and January conducted by the Conference Board. About half of Gen Zers and millennials said in a 2022 Deloitte survey that they live paycheck to paycheck, and about 30% of each group say they don't feel financially secure.

Last year, Brandi Jones was working as a dance teacher and at the front desk of a dentist's office, making about $25,000 and living with family, she said. She quit both roles in July to find a job that would cover her health insurance and pay enough for her to move into her own apartment.

To get that job, Ms. Jones, now 26, got certified in Salesforce's customer-relationship management software, so that she could work at a nonprofit that uses the tool. She studied sometimes 10 hours a day to pass the exam, she said. After passing, she applied for more than 20 jobs over six months.

Aware of common stereotypes about young professionals, she says she asked questions in job interviews about company culture to get a sense of employers' generational diversity and how they defined a successful employee. She says she eventually found a job at a nonprofit that pays about $100,000 a year.

No longer working weekends, she marveled at having more free time at first. Then she started studying cybersecurity tools because she is considering a master's degree. She wants to advance further, she says.

At 25, Charu Thomas is founder and CEO of the supply-chain software firm Ox.

Software training enabled Brandi Jones, 26, to quit jobs as an office administrator and dance teacher.

Jorge Tapia, a 26-year-old software engineer in Indianapolis, said he lets his work speak for itself.

CLOCKWISE FROM TOP: CAMILLE DELAUNE FOR THE WALL STREET JOURNAL; JORGE TAPIA; MALEEK JOSEPH

A Stitch in Time Saves Rare Tees

ON TREND
JACOB GALLAGHER

Jose Hernandez is the David Blaine of repairing T-shirts.

Send this mild-mannered father of two a hole-laden, sleeveless, collar-stretched-like-Silly-Putty Def Leppard tee from the 1980s and presto magnifico, he'll make it look fresh off a Reagan-era rack.

"It's like magic," said Rodrigo Zenteno, the owner of CrazyLokoVintage in Toronto, who has sent 30 or so tees to Mr. Hernandez for repair. "He tries to match the same fade of the material, the same color, the same fabric," said Mr. Zenteno. "I don't know anyone that does that."

In recent years, as the vintage T-shirt market has ballooned, sending prices for '90s rap tees and '80s Marvel merch into the four-figures a pop, Mr. Hernandez, 37, has filled a crucial gap in the market: that of a dedicated repair specialist. From his dining room table in the San Francisco Bay Area, he mends holes, swaps sleeves, splices, shortens and restitches. Art restorers revitalize Renaissance canvases. Mr. Hernandez salvages Metallica tees.

Yet up until a few years ago, this wizard of the cloth couldn't even stitch a straight line. A former professional photographer, his clothing experience was as a salesman, having worked in a San Jose streetwear shop before moving into flipping "hey, remember when?" vintage rock tees and rap shirts.

When he and his wife had children, he soon had an idea: What if he could tailor down the vintage versions he loved to fit his toddlers?

First, he had to learn his way around a Singer. A Yelp search steered him to a local sewing club, where he learned the necessary skills to fit aged rap shirts to a 2-year-old's frame. After a few fashion blogs reposted photos of his kids in the tees, celebrities asked him to make shirts for their preschoolers.

With more eyeballs on the minime '90s tees, vintage sellers began calling to see if he could recut and rehab their adult-size shirts.

T-shirt surgery became Mr. Hernandez's full-time occupation. Today he has so many repairs piled up that he's taking on new clients only through referrals.

He charges as little as $20 to repair a shirt, but especially onerous jobs can cost $275.

Any local seamstress can patch a single hole, and many home-ec grads can do a more sophisticated patch-job themselves.

Art restorers revitalize Renaissance canvases. Jose Hernandez salvages Metallica tees.

But vintage tees are often more hole than whole. They can require a professional after decades of wear. "Dry rot," or the erosion of a shirt's fabric, is a common affliction. Mr. Hernandez also noted that macho metal fans often spliced the sleeves off their '80s tees.

When he opens a box from a client, he has his work cut out for him. First, to patch holes, Mr. Hernandez color matches the threads so sutures are seamless—a crucial step as "black" shirts are never pure black anymore, but more of a dusty gray from years of exposure.

Many jobs require Mr. Hernandez to add sleeves or a new collar, pulling replacement fragments from an arsenal of less valuable vintage shirts that he keeps at hand. So long as the graphic remains intact, some collectors believe, the rest of the shirt can be rebuilt—much the way an engine might be swapped in an antique car.

But "finding the perfect donor" can be the most challenging part of a repair job, Mr. Hernandez said. Under fluorescents, a substitute shirt may be a perfect tonal match, "but when I take it outside, the original shirt will have a greenish hue, and in the donor have more of a bluish hue."

Restoring a rare vintage T-shirt can take hours—and cost as much as $275.

PHOTO ILLUSTRATION BY JULIA DUARTE FOR WSJ. MAGAZINE

Many of Mr. Hernandez's clients simply want him to tailor a shirt to fit more naturally. " '80s T-shirts tend to be long, they'll be very narrow," said Josh Martinez, who owns Vintage on 46th, a clothing resale shop in Manhattan. He could send the shirts to any of New York's many seamsters, but with Mr. Hernandez, he said, the shirts "always come back the way I wanted them."

One of Mr. Hernandez's proudest rehabs was a Dr. Dre tour bootleg T-shirt that arrived to him sans sleeves and collar. When he was done with it, "no one could really tell that it was previously chopped."

As his business continues to grow, Mr. Hernandez plans to relocate to a Los Angeles studio so he has space for repairs without encroaching on his kitchen. He has also spent the past two years experimenting with chemical processes to eradicate the corrosive effects of dry rot.

This is a lot of effort—and investment—to save a screen-printed souvenir, but to collectors these shirts are worth it. A vintage Method Man shirt? There's one on eBay for $2,350 right now. A Nas bootleg? Try almost $7,000.

As for Mr. Hernandez, he doesn't use his own services. "Personally," he said. "I like to wear shirts when they are distressed." The beauty of holes is in the eye of the beholder.

Demand Sizzles For Hot Tables

Customers scout restaurants' prime seating, try to win it by schmoozing, being a regular

By Alina Dizik

When Manin Garg goes to Komodo, a Southeast Asia-inspired restaurant near his Miami condo, other diners know he's a VIP. Just look at where he's sitting.

The cosmetic manufacturing business owner has a spot at one of Komodo's four bird's-nest tables. Each has its own staircase, teems with tropical plants and seems to float above the main dining room.

"Usually they make it happen," says the 47-year-old Mr. Garg, who texts a manager for reservations and spends about $500 on a meal for two.

Staff shortages and higher menu prices have zapped some of the fun from dining out. Diners determined to make a special night are now requesting something in return: the restaurant's hottest table. They are cozying up to managers, asking last-minute favors, becoming regulars or requesting to switch seats once they arrive.

Restaurants are working hard to manage expectations without letting guests down.

"It's part psychological, part layout," says Michael Schatzberg, founder at Branded Hospitality Ventures, with 15 New York restaurants.

Booths remain the most-wanted type of seating, but tables with great views and areas on raised platforms or outdoors are also in demand, according to Tablz, a restaurant-booking software company. Diners who use Tablz pay an average of $25 to choose their exact seat after examining images of the dining area; only in-demand tables draw a premium, others can be booked free.

(Forget about slipping a $20 to the maître d'. A few older diners still try it—without success, Mr. Schatzberg says.)

Some guests prefer sitting to the side of a large dining area so it's easier to people-watch. Many avoid tables in the middle of a restaurant or near server stations or the bathroom.

"We call them the coach section," says Tablz Chief Executive Frazer Nagy, who works with restaurants in the U.S. and Canada, including Mr. Schatzberg's.

Nina Mariano, a Chicago grocery-chain investor, dines out most nights and says she would rather dine elsewhere if her favorite tables aren't available.

At Maple & Ash, a steakhouse, she insists on a spot in the glass-enclosed atrium under a large chandelier. At Gene & Georgetti, another steakhouse, she sits in what was once Frank Sinatra's favorite booth.

Regardless, Ms. Mariano says, "I can never have my back to the door—I have to know who's coming in."

Lindsey Metselaar, 32, a New York podcaster and social-media influencer specializing in food, says many of the local restaurants she visits aren't forthcoming about where their best tables are. When dining out, she tries figuring out the layout to find her favorite weekend spot: a corner table that still feels like the middle of the action. Much of the time it means asking to switch her table once she arrives.

"They want their customers to be in the dark," she says. "They like you to think that every table is good."

Industry veterans say that diners' idea of the perfect table shifts with their mood. At Pasjoli, a French bistro in Santa Monica, Calif., some of the most requested tables near the kitchen aren't for everyone.

"When we walk [guests] over to it, they are just as likely to request not to be sat there," says Ann Hsing, Pasjoli's chief operating officer.

When guests call or email asking for a good table ahead of time, Ms. Hsing often sends them images of Pasjoli's two dining rooms, one quieter and one more bustling.

"We try to figure out what they consider is the best in their head," she says.

Some high-end eateries offer multiple VIP areas. Some might overlook an open kitchen, others may perch on raised platforms or semi-enclosed booths that feel set apart but still in the action, says Chicago architect and restaurant designer Paul Kozlowski. Elaborate outdoor areas that mimic the interior décor are also drawing guests.

Mr. Kozlowski has designed recent projects with areas that rise above or are separated by dividers from the main dining space. Many people feel safe in smaller areas and prefer looking out at a restaurant space, he says.

"It comes down to seeing and being seen," he says.

Hosts at the 12 restaurants owned by Union Square Hospitality Group are encouraged to highlight the pros of sitting at a specific table when seating diners. With a variety of tables and seating areas, the job takes salesmanship, says guest-experience manager Halle Murcek.

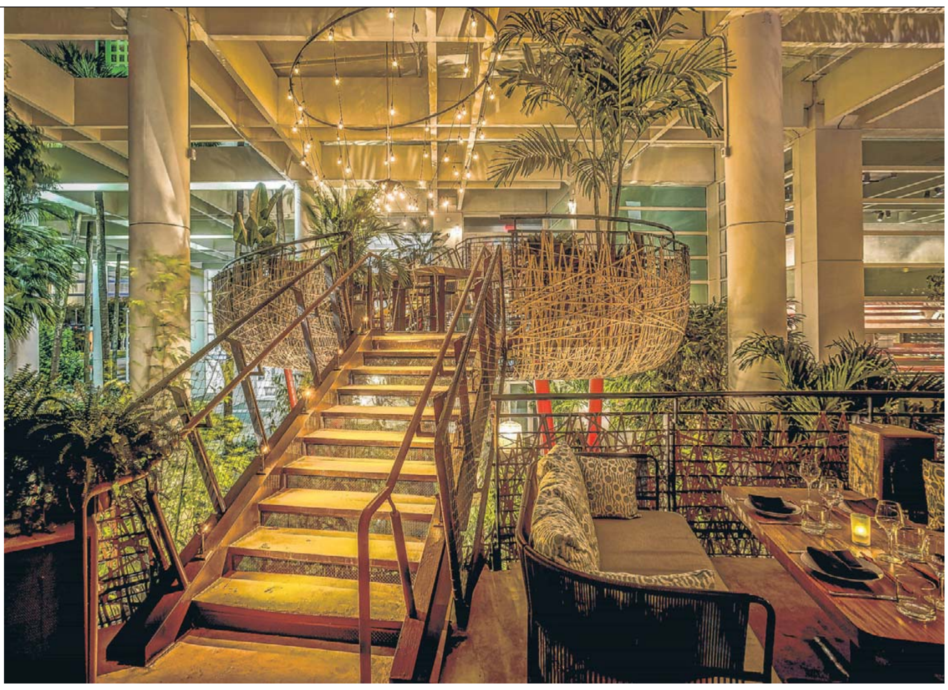
"You can kind of tell the host to be super confident about it," Ms. Murcek says.

Karen Rawson, a retired financial analyst in Newport, R.I., says high food prices make dining out feel like more of a splurge, so she's more likely to make seating requests.

At Newport's Giusto, Ms. Rawson, 67, enjoys a regular spot in the bar area with water views. Once she sits down, she can schmooze with the restaurant staff and the bartender starts making her martini. Being a regular means she can always get a seat at the buzzy bar.

"You don't want to be sitting in the corner in the dark," she says.

> Forget about slipping a $20 to the maître d', says the founder of a restaurant group.



Four bird's-nest tables at Komodo in Miami, above, seem to float above the main dining room. At left, The 'Frank Sinatra' booth at Gene & Georgetti steakhouse in Chicago.

FROM TOP: GROOT HOSPITALITY; TABLZ

PERSONAL TECHNOLOGY

Tools to Detect AI-Created Fakes

By Ann-Marie Alcántara

Artificial-intelligence image generators are evolving before our very eyes. Way, way back in January, systems such as OpenAI's DALL-E might have rendered a human with backward fingers or a floating extra eyebrow. By March, some images were realistic enough to fool a large number of people.

There was that image of Pope Francis in a white puffer coat, not to mention photos of Donald Trump getting arrested, among others.

While AI-generated content can be fun, it poses risks to industries and everyday interactions. It can be used to spread misinformation, infringe on intellectual property or sexualize photos of people.

Behind many of these AI images is Midjourney, which can turn text prompts into images, or blend existing images. Its latest version has done the most to date to blur the line between reality and fiction, professors and researchers say. Other image generators include DALL-E, which powers Microsoft's new Bing Image Creator.

Some developers are building tools that can analyze images for signs of AI origin. Unless the tools keep pace with the image generators, even they can be fooled.

Optic, an AI trust-and-safety company, launched AI or Not, a site where you can share a photo or illustration and the site determines whether it was made by a human or an AI. You can upload an image directly to the website or paste an image's URL.

You can also tweet or retweet an image at Optic's Twitter account, @optic_xyz, along with the hashtag, #aiornot, and you'll get a reply telling you what it believes, along with its confidence level as a percentage.

Optic's tool examines artifacts in each image that are invisible to the human eye, such as variations of brightness and color in images, says Chief Executive Andrey Doronichev.

The tool had a 95% accuracy rate until Midjourney released its latest software, and the accuracy dropped to 88.9%. Optic's team updated AI or Not so it could spot the new Midjourney images. Microsoft's Bing Image Creator, which uses a newer DALL-E version, also threw off the tool.

Hive, an AI company that tags content, has also updated its free AI-generated content detector to keep pace with evolving image generators. The tool uses AI to determine the origin of both images and text.

The company estimates that it accurately detects about 95% of AI-made images, but widely shared images tend to be better than the rest. When people share AI images, they choose the best of the fakes, so it becomes tougher to figure out what's real, says Hive CEO Kevin Guo.

"It's an arms race," he says, noting that Hive will keep evolving. "We look at all the tools out there and every time they're updating their models, we have to update ours and keep up the pace."

For now, if you're trying to find out whether an image is AI-made or real, run it through both tools from Optic and Hive. If at least one indicates it's AI-generated, it probably is.

You can also get better at detecting fake images with your own eyes.

Where and when you see an image should help you determine whether it's real, says Amit Roy-Chowdhury, a professor of electrical and computer engineering at University of California, Riverside. Look for parts of an image that seem out of place. One is a person's expression, which might not appear realistic or might look off in some way in AI-generated photos, he says. Some images may have missing elements, such as a mirror or glass window that doesn't show a person's reflection, he added.

The real problem may not be that generative AI is getting harder to detect, but that more people are using it to trick others.

"It has the potential to be very, very harmful without being super smart," he says.

In the AI image, top, people high-fiving have long fingers and weird mouths. People in real photo below it have typical features.

FROM TOP: ILLUSTRATION: THE WALL STREET JOURNAL, MICROSOFT BING IMAGE CREATOR; ISTOCK

ARTS IN REVIEW

TIM SACCENTI

MUSIC REVIEW | MARK RICHARDSON

Heavy-Metal Monotony

Metallica returns with an LP that has all the expected thrashing riffs, but it takes few chances

Since Metallica plays heavy metal, a genre that peaked commercially in the 1980s, it's easy to forget just how huge the band is. Its 1991 self-titled LP has sold over 30 million copies, and every album released since 1990 has made its debut atop the Billboard 200. The group has consistently filled stadiums and is massively popular globally, particularly in Scandinavia and South America. By almost any measure, Metallica, formed by singer-guitarist James Hetfield and drummer Lars Ulrich in 1981, is not only the bestselling metal band of all time—it's also one of the most popular acts in any genre, period.

And yet, for all Metallica's accomplishments, the group approaches new records as if the band still has something to prove. The members take their time putting the albums together—gaps of four or five years are common—and they are careful to sustain the band's powerful essence. Metallica became a mainstream rock act long ago, but it's tried hard to never lose its credibility in the metal world. Since the release of 2003's "St. Anger," new Metallica albums have mostly been evaluated based on how they compared with the group's raw, early, pre-superstardom work, and Metallica's '90s experiments with balladry and a variety of rock styles now seem in the distant past. The band's 11th studio album, "72 Seasons" (Blackened), out Friday, is a no-frills affair that ably conveys the classic Metallica sound, but it's a record that takes few chances.

As the group has done in the past, Metallica launches into the set with a searing uptempo number, as if reassuring longtime fans it can still bring the thrash-metal heat. The opening title track features hyper-speed guitar strumming, angry riffing, and Mr. Ulrich playing rapid patterns on his hi-hat. It introduces a loose theme that recurs throughout the record: how pain and trauma from childhood reverberate even as one grows old: "Violence, inheritance," Mr. Hetfield sings on the chorus, while lead guitarist Kirk Hammett adds squealing solo fills.

The record ably conveys the group's classic sound, but it seems overly long and repetitious.

It's a bracing introduction that the record can't quite sustain. Though "72 Seasons" is filled with long tracks, as is typical for this band, there is, by design, very little textural variation. There are no acoustic guitars, no ballads, and little in the way of dynamics—songs start, a riff and tempo are established, and they plow ahead at that clip until they end. Sometimes, as on track three, "Screaming Suicide," Mr. Hammett's live-wire soloing, which is filled with a dense flurry of notes transformed via pedals, wrenches the music out of the monotony. But even after multiple listens the songs bleed together, which is a serious problem when an album stretches to nearly 80 minutes. The tracks aren't necessarily longer than those on past Metallica LPs, but they feel longer.

Mr. Hetfield's lyrics on the record alternate between inspired and rote. As has been the case through his entire career, he excels at channeling feelings of rage and self-loathing in simple language with a gravely howl. On "Screaming Suicide," he assumes the role of a malevolent force that sows existential doubt in the minds of the vulnerable: "Teaching you of fears / Are you good enough? / You don't recognize / Head is full of lies / You should just give up." On the menacing and bass-heavy "Chasing Light," he describes a little boy who has "Lost his way through wicked streets," though the simplistic chanted chorus—"Chase that light / Lean on me / Face that fight / Lean on me"—undercuts the gravity.

'72 Seasons,' out Friday, is the 11th studio album from legendary metal band Metallica.

But Mr. Hetfield's more conceptual lyrics often come across like mystical metal boilerplate. "Crown of Barbed Wire," about a suffering ruler lording over a decaying empire, brings nothing new to its familiar story of good and evil, and "You Must Burn!" piles up imagery filled with medieval clichés—wicked clerics in black cloaks, accused witches being tied to the stake—without landing on a salient point. Occasionally, he resorts to stringing together multisyllabic words that share a rhythm but not much meaning—"Exhilaration / Frenzied sensation / Kindred alliance connected inside / Commiseration / Sonic salvation," goes the chorus of speedy advance single "Lux Æterna," a word-salad that works against the track's fury and catchy riff.

Though it's never embarrassing, the record doesn't come close to justifying its length and limited palette. By the time we arrive at the 11-minute closer, "Inamorata," we're already well over an hour in, and are numb from the repetition. There are a couple of impressive guitar solos in this closing number and a slower breakdown or two that switch things up, but the song is weirdly bland and mechanical, as if it were assembled from scraps on a computer. "72 Seasons" certainly won't do anything to slow Metallica down in the next few years, during which it will mount a world tour and headline festivals. But it adds very little to the group's legacy.

Mr. Richardson is the Journal's rock and pop music critic. Follow him on Twitter @MarkRichardson.

APPLE TV+ (3)

Angourie Rice and Jennifer Garner, above left, Nikolaj Coster-Waldau and Ms. Garner, above, and Aisha Tyler, below, in the new Apple TV+ series

TELEVISION REVIEW
JOHN ANDERSON

Jennifer Garner in a Fragmented Mystery

An adrenaline-fueled thrill ride it is not, but "The Last Thing He Told Me" does star Jennifer Garner, an actress of sufficient sweetness to make the character she's playing—a woman completely in the dark about who her husband is—less far-fetched than it has been in myriad other dramatic series about wives betrayed and secrets revealed. What a viewer will notice early on is that this is a mystery of many words, but not the very few that might have passed between characters, solved the big questions, and made this into perhaps a two-hour movie rather than a seven-part series.

"I don't know what's going on, Bailey, but I know your father loves you," Hannah (Ms. Garner) tells her stepdaughter (Angourie Rice). What's going on is that dad, Owen Michaels (Nikolaj Coster-Waldau), has disappeared after an FBI raid of a software startup called The Shop, where Owen is the chief engineer. He leaves behind one note for Hannah ("Protect her," it says of Bailey) and another for the 16-year-old, along with a duffel bag bulging with cash. The San Francisco media begin referring to the Shop investigation as Silicon Valley's version of Enron, but it really seems more like Theranos since the project Owen was working on—software that would erase an online "paper trail"—seems not to work at all and investors have been bilked. At the same time, there are enough red herrings in "The Last Thing He Told Me" to fill an aquarium.

An adaptation of Laura Dave's popular novel by Ms. Dave and her Oscar-winning screenwriter husband, Josh Singer ("Spotlight"), "The Last Thing He Told Me" is a story of many elements, many of them standard: abandoned children (Hannah), dead spouses (Owen's), resentful-to-the-point-of-irritation teenagers (Bailey), and the protagonist as artist (Hannah, a "wood turner," who uses her lathe and awl to produce delicate works of utilitarian sculpture). Also, angelic second wives whose valiant attempts to mother their new husbands' daughters are

paid back with a figurative slap in the face—many, in fact. Ms. Rice isn't an ungifted actress (she was fun in the 2022 film "Honor Society") but Bailey is relentlessly bratty, especially as Hannah drags her to Austin, Texas, in an attempt to jog the girl's memory and piece together a family history that someone has tried very hard to obscure. Or bury.

At the start of episode 1, Ms. Dave and Mr. Singer drop us in the middle of the action, in an Austin hotel where Bailey has suddenly disappeared and Hannah is frantic to find her. But what we're going to learn about everyone is parceled out in fragments of flashback that don't do much for the pacing of a series that is ostensibly a thriller but spends much more time musing about relationships and the troubled histories of its principals. These include not just Bailey, with her opaque backstory, but Hannah, who was abandoned by her mother and grew up wood-turning with her grandfather. The sidebar plots involve the people investigating The Shop, who include Hannah's friend Jules (Aisha Tyler), a reporter for the San Francisco Chronicle. There's quite a bit of dramatic wheel-spinning in this production by Hello Sunshine. (The executive producers include Reese Witherspoon, Lauren Levy Neustadter, Ms. Dave and Ms. Garner.) The performances lean toward the excessively earnest and breathless, and then, all of a sudden, Victor Garber—Ms. Garner's old costar from "Alias"—appears and shows what acting is all about. An utterly believable character and a believable performance. One hopes the rest of the cast doesn't hold it against him.

The Last Thing He Told Me
Begins Friday, Apple TV+

Mr. Anderson is the Journal's TV critic.

SPORTS

The Game Theory Behind Pickoffs

A new baseball rule has launched a radical re-evaluation of how and when to use pickoff throws

By Lindsey Adler and Andrew Beaton

Baseball fans have historically paid little attention to the pickoff move, except perhaps to boo it.

Until now, pitchers have been allowed to keep baserunners in check by throwing over to first base as many times as they pleased—discouraging stolen bases, irritating spectators and causing long games to grow even longer.

Now, however, MLB has a new rule for what it calls pitcher "disengagements." Suddenly, this seemingly perfunctory ritual is at the heart of a race to radically reinvent the strategy of stealing bases in Major League Baseball's season of new rules.

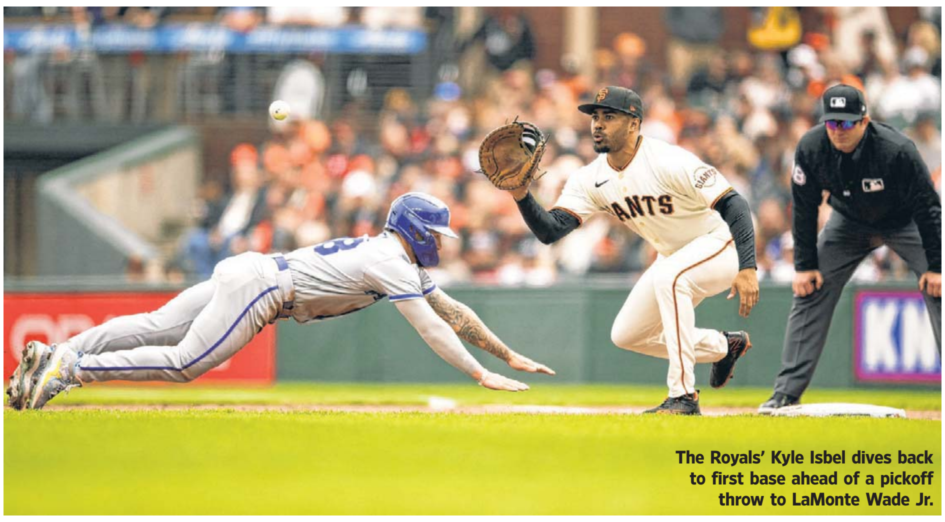
Pitchers are now allowed a total of just three pickoff attempts per at-bat, and there's a catch: If the third one is unsuccessful, it counts as a balk and the runner is simply awarded the next base.

The new rule has instantly changed the calculus of stealing a base, primarily because every pickoff attempt tilts the scales in favor of the baserunner. After one unsuccessful throw over, there's only two left. After a second, the pitcher faces sudden death. At that point, baserunners can take enormous leads off first base knowing that the pitcher likely won't throw over. It's easy to see why a pitcher might feel like he's dug himself into a hole, instead of standing on a mound, after using even one.

That's causing an instant reassessment—by pitchers, catchers, managers and front offices—to quickly develop new strategies for how and when to use their pickoff attempts to prevent serial theft on the base paths.

"The fact that the runner knows the limits are there, it changes things," said Giants pitcher Alex Cobb. "Once we throw over once, he knows we're probably not going to throw over a second time. Once I throw over twice, it almost feels like a free pass for runners. Maybe that'll change as the season goes on, but that's why pitchers are being conservative with pickoff attempts."

So far this season, there has been an average of 1.3 stolen bases per game, which across a full season would be the highest rate since the year 2000, per Stats LLC. Attempts are up, too, with 1.7 attempts per game compared with 1.3 in 2022.



The Royals' Kyle Isbel dives back to first base ahead of a pickoff throw to LaMonte Wade Jr.

While analysts and coaches work out their approach to the new rules, there's a group of economists with a special brand of expertise in modeling situations just like these. They're experts in evaluating risk-reward situations because their life is studying game theory.

These academics see the new pickoff rule as a zero-sum game: What's good for one side is bad for the other. In this case, everything that's a benefit to baserunners is to a pitcher's detriment.

Yet there may be a way for pitchers to neutralize the playing field in a zero-sum game: manufacturing randomness. Economists recommend that pitchers vary how often they attempt a pickoff and how many they use. That way the threat of it will always persist as a deterrence to baserunners.

"You don't want your behavior to be predictable," said David McAdams, a professor at Duke's Fuqua School of Business. "If the other side knows what you're going to do, they can take advantage of that."

So far this season, there has been an average of 1.3 stolen bases per game.

The baseball players in the middle of this upheaval are already thinking about this, too. There are other ways to keep runners close, after all. One is a back pick—in which the catcher receives a pitch and quickly fires to first to try to pick off a runner. Another is a pitchout, in which the pitcher deliberately throws a ball that allows the catcher to position himself to throw out a runner.

"I think you'll see more backpicks, pitch outs, just any way to put in the runner's mind that we are active," said White Sox pitching coach Ethan Katz. "This is new for everyone, but I think it can be a weapon for pitchers as well."

There is one problem with this approach, says Colin Camerer, a behavioral economist at CalTech. People tend to intuitively stink at randomizing. When most people are asked to randomize something—such as predicting a number of coin flips—they tend to over alternate, he said. What they perceive as random is actually rife with patterns. In baseball, a pitcher who uses his second pickoff throw every other time might think he's being clever, but he's actually leaving a trail of information that can inform a baserunner's actions.

"There seems to be two groups of people that are good at randomization," Camerer says. "It's children and professional mathematicians."

Baseball's new pitch clock itself is a detriment to a pitcher's ability to create randomness. Pitchers now have 20 seconds to deliver a pitch with runners on, but it is important for them to create variety in the timing of their deliveries. Otherwise, opponents will soon figure out if a starter begins his delivery with seven seconds left on the clock each time. From there, it becomes a simple math problem for baserunners to determine whether to take the risk and run.

"If the clock is under five seconds, it's probably a good bet that they're not going to use a pickoff attempt," said Giants pitcher Alex Wood. "The guys who get back on the mound quickly, they're going to have different hold times."

The rule changes may also alter the conventional algorithm typically used to determine the risk-reward of base stealing. Traditionally, pitchers aim to complete their delivery in 1.3 seconds or less, while catchers aim to be able to throw to second base in under 2 seconds. The runner's speed creates the other variable, but this math problem may need some updating under the new rules.

This season, MLB increased the size of its bases from 15 inches to 18 inches, shortening the distance between first and second base by 4½ inches. While it means that runners have less ground to cover, there may also be a psychological benefit for runners who simply decide to become more aggressive baserunners than before.

However things settle out in the new math of stolen bases, it's going to take a while to figure out.

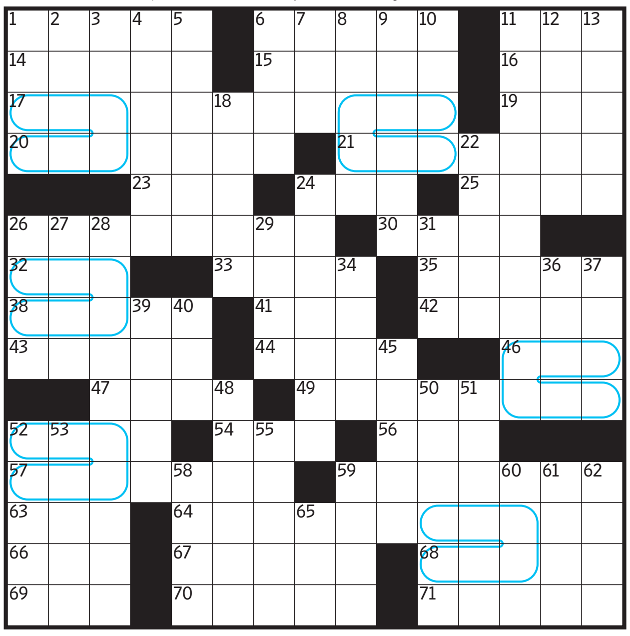
"Game theory is applicable as the game becomes more dynamic and the variables change," said Yankees ace Gerrit Cole. "I think we need more data from this year to really calculate risk-rewards because the rules are different than ever before."

Even some of the finest minds on the planet admit they aren't certain what the ultimate effect of the pickoff rule would be.

When asked about the potential ramifications of the new pickoff rules, Richard Thaler, a Nobel Prize winner for his work on behavioral economics, wrote in an email: "Dunno."

FROM TOP: D. ROSS CAMERON/USA TODAY SPORTS; LAURENCE KESTERSON/ASSOCIATED PRESS

The WSJ Daily Crossword | Edited by Mike Shenk



WASHED UP | By Kathy Bloomer

Across

1 Wild chargers
6 Like some coffee beans
11 One might be noble
14 Downed, in a way
15 Survivalist TV show
16 It might need a massage if bruised
17 First woman to be inducted twice into the Rock and Roll Hall of Fame
19 Pile of loungewear?
20 Ones who go along without questioning
21 Four-term governor of New York
23 "A life outdoors is a life well-lived" retailer
24 Outboard motor inventor Evinrude
25 Sticks you might scratch with
26 Marked with a caret, say
30 Graffiti signatures
32 Lug or tug
33 Möbius strip's lack
35 Coach lines
38 Was out
41 "Surfin' ___"
42 Role for which Judith Anderson, Zoe Caldwell and Diana Rigg won Tonys
43 Houston player, once
44 Private posting
46 Repulsed utterances
47 H.S. course
49 Spots for tots leaving lots
52 Houston player, for short
54 "Try me"
56 "Riverdale" star KJ
57 Boot polish brand that gave rise to a crude colloquialism
59 Key location
63 Ingenuous exclamation
64 Perform a mundane household chore, and a hint to the outlined letters
66 Quests for QBs
67 Retinal point
68 Paris divider
69 Went unused
70 Insensitive to emotions
71 Mathematics great Paul

Down

1 Mamie's White House predecessor
2 Swearing-in recital
3 Suit to ___
4 Rider of April 18, 1775
5 SWAT specialist
6 Elroy Jetson's mom
7 News commentator Velshi
8 Outspoken
9 Traditional piece of jewelry worn by Indian brides
10 Promontory
11 "Fantastic!"
12 Banded rock
13 Juniors' juniors
18 Best of the best
22 Surname in a Janis Joplin song
24 Result of a dryer mishap
26 "Make ___" (order from Picard)
27 ___ me tangere
28 Most hot and humid
29 "That'll do," informally
31 Radius spot
34 Hit written by 17-Across
36 Hellbender's kin
37 Fresh quality
39 President overthrown in 1955 and re-elected in 1973
40 Half of sex?
45 Merry syllables
48 Oaf
50 Not a single person
51 Bread maker?
52 USMC officers
53 Bara of silents
55 Spirited attack
58 Whacks
59 Celebrity chef Bobby
60 "Why haven't you..." retort
61 First in a 25-film series
62 Supporters' calls
65 Cub's spot

Previous Puzzle's Solution

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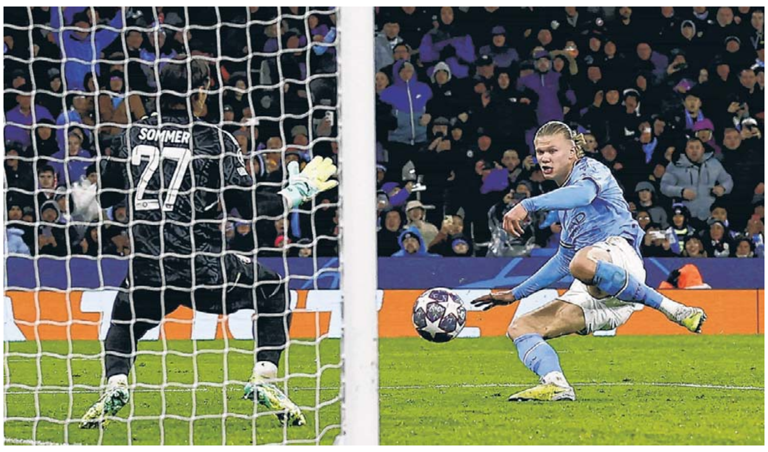
▶ Solve this puzzle online and discuss it at WSJ.com/Puzzles.



Erling Haaland scored in the 76th minute of Manchester City's 3-0 win over Bayern Munich.

Manchester City Is Peaking For a Champions League Run

By Joshua Robinson

THIS IS THE TIME OF YEAR when teams coached by Pep Guardiola tend to go one of two ways: They either shift into high gear, or implode spectacularly.

The power surge is usually reserved for domestic competition, when the consistent work over a 38-game season pays dividends. The expensive failure, as Guardiola knows too well, is reserved for the Champions League.

But this season, Guardiola's Manchester City is breaking all of its habits. Though it currently sits second in the Premier League title race, the club finally looks ready to claim the trophy it covets most. After a 3-0 stomping of Bayern Munich at home on Tuesday night, City now appears to be the favorite to win a wide-open Champions League for the first time in its history. A potential matchup against Real Madrid or Chelsea awaits in the semifinals.

"In September, October, November, I enjoy less," Guardiola said last week. "When we arrive in the last stages, fighting for the title, I'm the happiest in the world. I love to be here."

Guardiola's quest to lift Europe's most prestigious trophy again has now gone on for over a decade. He won it twice at Barcelona, in 2009 and 2011, but he's only reached the final once since then. It didn't happen for him in three seasons at Bayern Munich, a club whose entire season is geared to performing well in Europe in the spring. Nor has it happened so far for Guardiola at Manchester City, despite having one of the most expensively assembled squads in European history at his disposal since 2016.

"Michael Jordan, the best athlete, won six NBA titles," Guardiola said ahead of Tuesday night. "How many years did he play? 16? He lost more than he won. These games are so difficult...If I lose, I lose. I'm not perfect."

Except a decade of Guardiola's influence over global soccer—as he preached the gospel of intricate passing approaches—seemed to convince City's owners that he was. They supplied him with player after player to suit his particular system. And it worked: Premier League titles and records followed close behind.

But the prize City really wanted remained just out of reach. The only time the club reached the Champions League final, in 2021, it wound up losing 1-0 to Chelsea—another one of Guardiola's spectacular implosions of Europe when he was accused of overthinking his plan.

Then, over the past couple of seasons, Manchester City's approach to squad-building seemed to shift. Pricey acquisitions such as midfielder Jack Grealish and Erling Haaland brought plenty of game-changing firepower, but they weren't natural fits for Guardiola's style. He tended to prefer tidy passing midfielders who could ghost into space and unpick defenses, not showboats who sometimes looked like one-man teams.

For one-off nights in Europe, though, the new-look signings turned out to be perfect. Nothing made that clearer than City's second goal in the 70th minute on Tuesday. Bernardo Silva headed home a cross from Haaland, who had first received the ball from a Grealish backheel.

In the 76th, Haaland then added City's third—and his 45th of the season in all competitions—practically guaranteeing his side a spot in the semifinals before it even plays the second leg next week in Munich.

"Collectively we're always strong, but individually we really made the difference," Silva said.

JASON CAIRNDUFF/ACTION IMAGES/REUTERS

OPINION

Intel ‘Leaks’ Aren’t Solved

BUSINESS WORLD
By Holman W. Jenkins, Jr.

The weekend’s big intelligence leak is also a test of the U.S. government in its relation to its own people. Will the public get information or disinformation from its government as the story unfolds?

Whether the breach should be described as a leak or a hack remains unclear, though it appears to be a leak given the apparent reliance on photographs of printed documents—but of course this could also be a decoy method.

The question must also be asked: Do these “intelligence” leaks consist of real intelligence? If this sounds paradoxical, remember that ex-FBI chief James Comey has continued to suggest the “objectively

Also, just because it’s in a ‘briefing’ doesn’t mean it’s true or accurate.

false” Russian intelligence he used in the Hillary Clinton email case was nevertheless real Russian intelligence—i.e., not internet flotsam or active disinformation.

The weekend’s most eyebrow-raising revelations concern U.S. intelligence allegedly showing that Israeli Mossad leaders actively fomented protests against their own government, our Egyptian allies sought secretly to ship arms to Russia, and South Korean officials discussed ducking their own laws to send arms to Ukraine.

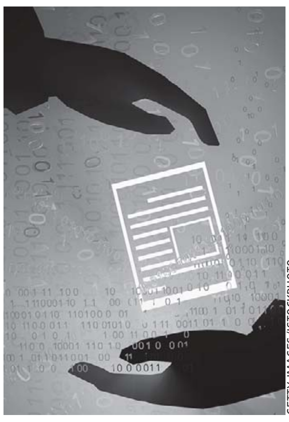
All have an air of plausibility, as if lifted from the news. But just because something is mentioned in an intelligence briefing doesn’t mean it happened. Recall that the FBI put the Steele dossier’s chief fabricator on its payroll and kept him there for almost four years *after* determining his intelligence was a fabrication.

Shaping public beliefs will always be the first priority for our officials, rather than communicating the truth. Hardly had the question of Covid’s origins been broached in 2020 before agents of the state were concocting a disinformation campaign on the subject.

Or take an unambiguous crime and breach of the trust that every taxpayer needs in his or her government: The Biden administration has shown little interest in solving how a decade’s worth of tax data on thousands of U.S. families was stolen from the IRS—as if suspecting one of its own political allies was involved.

We learned from the New York Times years ago that the Justice Department suspected the FBI’s Mr. Comey of leaking the biggest, still unacknowledged intelligence secret of the 2016 election. Since then, crickets. Even the investigation into the investigation by the ultrareliable Justice Department inspector general, Michael Horowitz, who said he was looking into whether Congress or the press was improperly targeted in the search for the leaker, has gone silent for two years.

But then unsolved are almost all politically motivated



GETTY IMAGES/ISTOCKPHOTO

intelligence leaks before, during, and after the Trump administration. In fact, the record seems pretty clear: Unless the leaker is a nonentity like Chelsea Manning or Edward Snowden, such crimes never result in charges or any closure for the public.

This history hardly bodes well for the FBI finding the latest leaker, or even wanting to, unless it was a Pentagon janitor. The FBI didn’t examine the Democratic Party server supposedly hacked by the Russians. Repeated releases of stolen financial records channeled through the so-called International Consortium of Investigative Journalists have not only gone unprosecuted but smack of possible intelligence-agency involvement. A chapter could be written on Western efforts not to investigate crimes on their soil, including murder, that might be traceable to the Putin regime.

So take what you hear and read about the intelligence snafu attributed to named or unnamed officials with a sack of salt. Some of it might be true. Skepticism should extend even to the White House’s avuncular spokesman John Kirby, last seen at the Pentagon fanning the UFO miasma that our intelligence agencies used to conceal the extent of Chinese balloon-and-drone spying on U.S. military sites and training bases.

A quasi-predictable development is on its way: this week’s big intelligence leak giving birth to intelligence and PR operations designed to spin the leak.

Past and present intelligence officials already are getting into the act—turn on cable TV. Administration leakers, congressional leakers, anonymous nobodies who have the ear of credulous reporters—as the Putin regime showed us, a fog of uncertainty and contradiction can be an end in itself. Plenty will oblige. If Donald Trump looks likely to become the 2024 Republican nominee, expect the noise-to-signal ratio to quadruple.

OK, obviously nobody who expends energy to communicate is disinterested in how the communication is received. What to believe is always going to be a problem. Unhappily, the digital deluge forces us to contend with a vastly greater amount of information that’s hard to ignore, though whether we gain anything from the effort we put into trying to assess it is also doubtful.

In such a world, credibility could be an asset of supreme and growing value to any government that bothers to muster it. Maybe ours, in the way it handles the latest intelligence disaster, could try making its words trustable again.

Ballooning National Debt Is a Rotten Legacy

POLITICS & IDEAS
By William A. Galston

As I struggled up Georgia’s Stone Mountain while my grandsons bounded ahead, I had a sudden realization about Passover, the holiday we were celebrating together: It perfectly symbolizes Edmund Burke’s famous definition of human society as “a partnership not only between those who are living, but between those who are living, those who are dead, and those who are to be born.”

In everything we do, we must ask ourselves whether we are acting as responsible stewards of our inheritance—and whether we are using it to hand down to posterity a world at least as peaceful, prosperous and just as the one we received from our ancestors. This principle applies to the environment, of course, but also to financial matters.

These issues are similar in a crucial respect: The path of least resistance yields tangible benefits in the present, with costs that are mostly deferred to the future. And the longer we go down this path, the harder it becomes to turn back. “How did you go bankrupt?” Bill Gorton asks the wastrel Mike Campbell in Ernest Hemingway’s “The Sun Also Rises.” “Two ways,” Campbell replies. “Gradually, then suddenly.”

Our fiscal course is in the “gradually” phase. We don’t know whether or when “suddenly” will come, but it would be reckless to assume that it won’t. Countries don’t go bankrupt the way individuals and companies do, but they experience something similar when creditors are no longer willing to buy their debt at a decent price. During decades of low and declining interest rates, loose fiscal policy didn’t have the consequences that pessimists predicted—higher interest rates and crowding out of private-sector borrowers—but this era has come to an end.

A short fiscal history of the past quarter-century tells the tale. The U.S. ended the 1990s with four consecutive budget surpluses and a national debt of around $5.7 trillion. In 2001 then-Federal Reserve Chairman Alan Greenspan gave a speech expressing concern about the consequences of paying off the debt.

How quaint this seems today. Over the past two decades, the debt held by the public has exploded to more than $25 trillion, and the ratio of debt to economic output (the best single measure of the debt burden) has tripled.

By all accounts, worse is yet to come. The Congressional Budget Office projects that if the U.S. doesn’t change course, it will add more than $20 trillion to the national debt in just the next decade, the debt-to-GDP ratio will rise from 98% to 118%, and annual interest payments on the debt will skyrocket to $1.4 trillion. The longer-term projections show a near-complete loss of control over fiscal policy, with debt rising sharply upward.

To his credit, President Biden has issued a budget proposal based on reasonable economic assumptions and mostly honest numbers that claims to reduce the next decade’s aggregate deficit by $3 trillion, from $20 to $17 trillion.

Our kids will inherit a nation less financially sound than it was when we were born.

But even if this reduction occurs, the debt burden will continue to increase. And there are reasons to believe that a reduction won’t materialize. For example, the Biden budget assumes that the Trump-era tax cuts will be renewed in 2025 for households making less than $400,000 annually, but it doesn’t budget for the ensuing revenue loss. The Committee for a Responsible Federal Budget estimates that this alone comes close to wiping out Mr. Biden’s projected reduction—unless the president can find a way to offset it.

But responsibility for fiscal policy isn’t solely the president’s. The Constitution assigns it principally to Congress, and the Congressional Budget Act of 1974 specifies the steps that the legislative branch must take to fulfill its responsibility. In theory, the process should begin on April 15 with a budget resolution passed by the House and Senate that establishes the framework for the appropriations process.

In practice, this hardly ever happens on time and usually doesn’t happen at all, and this year promises to be no exception. The House appears to be hopelessly torn between the promises the Republican majority has made to its warring factions and fiscal and political realities. The Democratic majority in the Senate is in no hurry to fill the void. Hardly anyone in Congress wants to take responsibility for the current deficit and debt or for the steps that would need to be taken to reduce them.

We can’t fix the problem in a single stroke, but we can stop it from getting worse. Preventing the national debt from growing faster than the economy over the next decade would be a demanding but reasonable interim step. Anything less would fail the duty that lies at the heart of the Passover message and of any society that cares about perpetuating its institutions and way of life.

Defeat Russia, Then Make Friends

By Jack Devine

A short-term focus on the battlefield shouldn’t stop us from seeing the unique opportunity Ukraine provides to reset the balance of power in favor of supporters of democracy and freedom worldwide and to sideline the emergent autocratic alliances between Russia, China, Iran and North Korea. The way to do it is to defeat Vladimir Putin and then make friends with Russia.

The West neglected relations with Russia at and after the end of the Cold War. Even from a position of strength, as I witnessed firsthand, our successful effort to drive the Soviets out of Afghanistan was seen as a full-stop victory with the exodus from Kabul in 1989. When the Berlin Wall fell later that year, then Rep. Charlie Wilson saw the opportunity to build a lasting peace with Russia as part of Europe where it rightfully belongs. But most U.S. officials concluded it was time to pick up our marbles and go home. Because of our limited embrace, Russia eventually slipped into the autocratic hands of Mr. Putin.

The West neglected Moscow after the Cold War. This will be another chance.

This time we should seize the extraordinary opening that would flow from Ukrainian victory. With our continued and full support for Kyiv, Mr. Putin’s ambition to conquer the country seems certain to fail. That would make it far harder for him to hold power for long. A post-Putin Russia predictably would desire stability and be less belligerent toward the West, which would offer economic prosperity and political opportunity.

Those who tout Beijing as our main adversary as reason to reduce support for Ukraine should ponder the effect of a Western-oriented Russia on China’s power base. Such a recalibration would undermine the ephemeral and artificial bonds of the “no limits” friendship between Beijing and Moscow, disrupting China’s effort to lead the world into an autocratic 21st century. Beijing would become a more manageable national-security threat. Beating Mr. Putin in Ukraine could do more to reduce tensions with China than a major military buildup on our part.

The opportunity to take advantage of this prospective Russian shift should be at the heart of the West’s Ukraine policy. Full support for Ukraine is critical not only to the stability of Europe but for containing Beijing’s ambitions. A nonbelligerent Russia would greatly weaken the forces of autocracy.

Those who are on the fence about Ukraine, or see its struggle with Russia as simply a territorial dispute, aren’t looking at the larger strategic picture and its promising possibilities. If we look only at the implications for Ukraine, we’ll miss an opportunity to make a safer world for all of us.

Mr. Devine is a former acting CIA deputy director of operations and president of the Arkin Group, a New York City-based international intelligence and investigative company. He is the author of “Spymasters’ Prism.”

BOOKSHELF | By Richard Snow

Opening Salvo

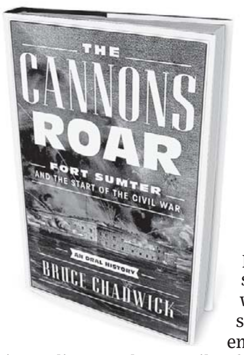
The Cannons Roar

By Bruce Chadwick
(Pegasus, 338 pages, $29.95)

‘Any Southerner who worked for Lincoln should be outlawed and killed.” That was the opinion of the editor of the Georgia Star in the early weeks of 1861. The Charleston Mercury agreed: “Lincoln is a bloodthirsty tyrant.” The chairman of the Alabama Young Man’s Club invoked a higher power: “Resistance to Lincoln is obedience to God.” South Carolina had seceded weeks after the 1860 election put Lincoln in the White House, and the new president found himself in charge of a shattered Union that he had sworn to protect and preserve.

But he didn’t slander any of his myriad detractors, instead holding firm to a deep-struck belief: “The Union is older than any of the states. And, in fact, it created them as states. Having never been states, either in substance or in name outside the Union, whence this magical omnipotence of ‘states’ rights,’ asserting a claim of power to lawfully destroy the Union itself?”

The denunciations above happen in the opening pages of Bruce Chadwick’s “The Cannons Roar: Fort Sumter and the Start of the Civil War—An Oral History.” The book is not an “oral history” in the generally understood sense. Everyone heard in it is long dead. There are no interviews, and the witnesses speak through diaries, memoirs, newspaper headlines, government dispatches, military orders.



But Mr. Chadwick, a former journalist, has achieved the effect of a living—and momentous—dialogue with history by carefully selecting quotes from dozens of participants in that fraught time and skillfully binding them together with brief commentaries. His swift, absorbing, wholly coherent narrative gives a sense of immediacy to the travails of those who thirsted for a fight, and those who groped after peace, as the nation moved toward a terrible test of arms. The quotations he arrays are rich enough to be arresting yet sufficiently brief that the reader never gets the claustrophobic feeling of being inside an anthology.

Although we know that, come spring, the Rebel batteries ringing Charleston Harbor are going to bombard Fort Sumter, the reader will find plenty of suspense in Mr. Chadwick’s reconstruction of that final, calamitous explosion. The newly minted president figures largely in the early pages of “The Cannons Roar,” and it is interesting to meet him through William Howard Russell, a famous military correspondent for the London Times: “He had a shambling loose, irregular almost unsteady gait . . . He was dressed in an ill-fitting, wrinkled suit of black, which put one in mind of an undertaker’s uniform at a funeral. . . . A person who met Mr. Lincoln in the street would not take him to be a gentleman.”

You didn’t have to be British to be disappointed by the new president. A.K. McClure, who had swung the Pennsylvania Republicans into supporting him at the convention, wrote: “I confess that my heart sank within me as I remembered that this was the man chosen by a great nation to be its ruler in the gravest period in its history.” But McClure changed his mind once he spoke with the candidate: “Before half an hour had passed I learned not only to respect but, indeed, to reverence the man.”

That didn’t happen in the South—or even in Lincoln’s cabinet, where almost all the members quarreled as weeks went by and Fort Sumter came to be the single symbol of the many divisions between North and South. Confederate forces had already quietly occupied other federal forts, but Sumter, defiant on its man-made island in Charleston Harbor, was gathering the real storm about its feeble brick ramparts.

The officer commanding the fort, Robert Anderson, had been a slaveholder and perhaps still held Southern sympathies. But his loyalty lay with the Union, and with the bastion he had to hold. He didn’t have a great deal to work with. Construction on Sumter had begun in 1829, but it was still unfinished, and thinly garrisoned with 80 men.

An unorthodox ‘oral history’ conjures the early weeks of 1861, culminating in the bombardment of Fort Sumter on April 12.

Anderson was frustrated by his orders from Washington—or, more accurately, by the absence of them. He had to make do with this vaporous instruction: “It is not . . . the intention of the President to subject your command to any danger or hardship beyond what, in your judgment would be usual in military life, and he has entire confidence that you will act as becomes a patriot and soldier, and under all circumstances.”

His counterpart across the harbor was a man whose very name seems a martial flourish: Pierre Gustave Toutant-Beauregard. He had 6,000 troops and was eager to open fire. The Confederate government sent out a few lukewarm peace proposals, while making it clear that any Northern move to reinforce or even to supply the fort with food would mean war. In April, the Union sent such a force.

On April 12 Beauregard gave the word, and the entire Charleston shorefront erupted. Capt. Abner Doubleday, Anderson’s second in command, wrote: “In a moment, the firing burst forth in one continuous roar, and large patches of both the interior and exterior masonry began to crumble and fall in all directions.” When dawn broke, Anderson’s batteries replied, but before long Sumter was out of both food and ammunition. Anderson surrendered the next day.

The Charleston Mercury called the battle a “Splendid Pyrotechnic Exhibition.” Militarily speaking, that’s about all it was. The 4,000 shells that fell on the fort hurt none of its defenders, and no Confederate artillerist on the Charleston shore was harmed by Sumter’s fire—a miracle scarcely to recur in the burning years that lay ahead.

Three hours into the bombardment, a fellow officer had called out, “Doubleday, what in the world is the matter here and what is all this uproar about?” Doubleday yelled back through the smoke, “There is a trifling difference of opinion between us and our neighbors opposite and we are trying to settle it.” And it was with that spirit that the Sumter confrontation brought the Union into the Civil War.

Mr. Snow’s many books include “Iron Dawn: The Monitor, the Merrimack, and the Civil War Sea Battle That Changed History.”

OPINION

REVIEW & OUTLOOK

Philly, Fraud and 'Equity' Gone Wrong

President Biden is pushing "equity" into every corner of the government, and if Congress wants somewhere to look for what can go wrong, the U.S. Attorney in Philadelphia recently won a $1 million settlement for fraud in federal contracting for Disadvantaged Business Enterprises, or DBEs. Here's a wild idea: Why not award construction funds based on merit, not claims of identity?

The feds steer billions to 'disadvantaged' firms, and one analysis says fraud is 'pervasive.'

The DBE program, set up in the 1980s, steers money to small businesses that are at least 51% owned by "disadvantaged" persons. Women are "presumed disadvantaged," along with people who are black, Hispanic, Native American, Asian-Pacific or Subcontinent Asian, although there are also limits on net worth and firm size. The government's general goal is for 10% of its highway and transit funds to be spent with DBEs. But they're supposed to do real work, not merely pass money through.

"This was precisely the case with the Platt Bridge project," says a news release by the U.S. Attorney. In 2011, Hercules-Vimas Joint Venture won a $42.7 million painting job from Pennsylvania's Department of Transportation. To meet the disadvantaged rules, it subcontracted Vertech International, a certified DBE. "While Hercules-Vimas represented to PENNDOT that Vertech was the paint supplier, the government alleges that it worked directly with Sherwin-Williams, a non-disadvantaged business, to deliver paint and materials to the project site. Vertech merely created invoices designed to conceal the fraud in exchange for a nominal fee."

Principals from Vertech and Hercules-Vimas pleaded guilty in 2016 and 2017. The new $1 million settlement is with Sherwin-Williams, which the feds allege was a knowing participant. The company says in a statement that it denies the government's allegations but agreed to resolve them with not only the $1 million, but "enhanced training" and "continued efforts to comply with the DBE program's revised rules and guidance for suppliers of DBEs."

Yet according to prosecutors, without Sherwin-Williams's complicity the painting contract might have gone to someone else. "This scheme, the government believes, enabled Hercules-Vimas to submit a substantially lower bid," the U.S. Attorney's Office says, because "competing bids included the reasonable market value for commercially useful functions performed by Disadvantaged Business Enterprises."

Hmmm. So the DBE program raises the cost of construction, creates an ecosystem of make-work for certification and oversight, and provides easy pickings for scofflaws? The U.S. Attorney in Boston last week announced a $1.24 million settlement to resolve an alleged "fraudulent scheme" in an I-95 project. The prime contractor was Walsh Construction. It subcontracted Melo's Rodbusters, a certified DBE, to do rebar. But the U.S. Attorney says Walsh impermissibly "assisted with certain work functions" including "selection of suppliers and participation in price discussion and negotiation."

The attorneys who represented Melo's didn't respond to an email requesting comment. Walsh says it "did not include Melo's work at issue in its final reported DBE participation," and the company is "pleased that we have reached a settlement with the DOJ that resolves all allegations and does not contain an admission of liability."

* * *

"DBE fraud is pervasive," says a 2020 article in a journal of the American Society of Civil Engineers. It cites data from the Transportation Department's inspector general, covering "over 1,000 investigations related to DBE fraud from 1998 to 2019." The authors say this is only a fraction of the truth: "With limited efforts and resources, previous and ongoing investigations only identified a small portion of the problem, resulting in diminished opportunities for legitimate DBEs and diverting federal funds."

It's a big pot: The Transportation Department counts 34,472 prime contracts and subcontracts to DBEs in 2021, with the federal share totaling $6 billion, according to a reply to a Freedom of Information Act request. Of that, "non-minority" women received 42%. Hispanics got 28%. On the census, 2.9% of Americans identify as Native American, alone or in combination. That group was 6% of DBE funds, or $348 million. Does Elizabeth Warren have a side gig designing roundabouts? Data for 2020 and 2019 are similar.

Even as America is becoming more racially mixed, Democrats want to double down on such policies. "The Government-wide goal for Federal procurement dollars awarded to small business concerns owned and controlled by socially and economically disadvantaged individuals (SDBs) shall be 15 percent in Fiscal Year 2025," Mr. Biden recently ordered. The Commerce Department urges applicants for Chips Act funds to "outline proactive efforts to include such businesses," perhaps by "assigning dedicated staff to manage outreach and data analysis."

What ever happened to plain old nondiscrimination? Call us radicals, but the point of levying taxes to build a highway is to build a highway. Trying to do social engineering via civil engineering makes federal projects opaque, inefficient and—far too often—dishonest.

Where's the Covid-19 'Peace Dividend'?

Reading the Congressional Budget Office's latest monthly report, published Monday, calls to mind the famous line from economist Herb Stein: If something can't go on forever, it won't. But brace for fiscal impact. Over the first half of fiscal 2023, through March, the federal budget deficit was $1.1 trillion, more than $3,000 for every man, woman and child in the U.S.

CBO says the deficit was $1.1 trillion in the past six months.

That's $430 billion higher than the deficit over the same period of 2022, CBO says, and note that this is primarily a spending problem. Revenues were down 3%, which is hardly surprising as the economy slows. Individual income and payroll taxes declined 2%, or $33 billion. Corporate income taxes were up 10%, or $13 billion. Estate taxes were up 50%, or $7 billion, which was offset by a drop in customs duties of 15%, or $7 billion.

Outlays increased 13% from the same period last year. Net interest on the public debt jumped 41%, or $90 billion, to $308 billion in six monthss. Welcome back to a world of normal interest rates. Spending on Social Security rose 10%, or $61 billion, "because of increases both in the number of beneficiaries and in the average benefit payment," CBO says. The latter is a reference to the 8.7% cost-of-living benefit increase that began in January. Medicare outlays increased 14%, or $49 billion "because of changes in payment rates and in the types and quantity of care beneficiaries received."

Medicaid spending rose 8%, or $22 billion, due to higher enrollment that CBO attributes "mainly" to pandemic rules that required states "to maintain the eligibility of all enrollees until the end of the coronavirus public health emergency." What this means, in plainer English, is that millions of people have continued to be covered by Medicaid, even though they don't meet the normal eligibility rules.

The overall spending binge comes despite some large drops in outflows of Covid money. Outlays from a public-health emergency fund were down 72%, or $42 billion, including for Covid testing and contact tracing. Spending by the Small Business Administration dropped 94%, or $17 billion, since it's no longer shoveling out disaster loans and grants.

So where is the pandemic "peace dividend"? Washington has a spending problem, and it is in drastic need of an intervention. Perhaps voters can provide one in 2024.

Phil Murphy Puts Strikers Over Students

Democrats are devoted champions of state universities, only not so much the students. Consider the faculty strike at Rutgers University in New Jersey, where the political fix is in for professors.

Rutgers faculty walked off the job Monday after three employee unions launched a strike. The move has left classrooms empty across the school's three main campuses, with about 9,000 professors, adjuncts and grad-student workers represented. The university hasn't formally canceled classes, which means students face hourly uncertainty. Some professors say they'll teach virtually for the semester, some are picketing while students try to study, and others are day-to-day.

The good news is that state law gives the school a lever to end the strike. New Jersey courts have often issued injunctions to send state employees back to work while negotiations continue, and Rutgers president Jonathan Holloway mentioned the possibility of suing before professors walked out. In a guidance note on its website, the school's administration said it "may go to court to maintain university operations and protect our students."

That's when Democratic Gov. Phil Murphy intervened. An ally of public unions, he barred Rutgers on Monday from seeking an injunction to send professors back to class. A university spokeswoman told Politico that Mr. Murphy "asked us to delay taking legal action asking the courts to order strikers back to work." It's a request they couldn't refuse, as the Governor controls 20% of Rutgers' funding and appoints a majority of its board.

Mr. Murphy is now hosting contract negotiations in Trenton, where Rutgers faculty are seeking better pay and health insurance, and equal pay for adjuncts. "I'm not happy that it's come to this. I am happy that we're in the room together," the Governor said Monday, portraying himself as an honest broker.

But his intervention has already tipped the scales toward the unions. The university and faculty failed to agree after 10 months of talks, but administrators are now under political pressure to cave. The courts could have removed the strike as a bargaining chip if Mr. Murphy had let Rutgers seek an injunction.

At the end of the strike, taxpayers and tuition payers can expect higher costs, courtesy of a Governor who's supposed to be on management's side of the table. The episode harks back to former Gov. Jon Corzine, who pledged to "fight for a fair contract" for teachers in 2006. As usual, it's a "fight" against the public on behalf of unionized state employees.

LETTERS TO THE EDITOR

What Should Republicans Say on Abortion?

Based on a few election results, Kimberley Strassel urges Republicans to find a compromise on abortion ("The GOP's Abortion Flop," Potomac Watch, April 7). Ms. Strassel's proposed compromise would be a ban after 15 weeks. Given that almost 96% of abortions are performed at or before 15 weeks, this isn't a compromise, but a surrender.

Ms. Strassel fails to note that all 12 pro-life governors who ran for re-election last year won; Republicans maintained control of the legislature in every state that has a law on the books prohibiting abortion throughout pregnancy, except Michigan; Republicans didn't then lose control of a single state Supreme Court and they picked up control of the North Carolina Supreme Court; and following *Dobbs*, several states have enacted or are considering laws that are more restrictive than Ms. Strassel's proposal.

There can be legitimate support for limited exceptions based on the reasons for which abortions are sought. But that can't be said of laws based solely on an arbitrary gestational age. There is no principled basis for distinguishing between a 14-week-old baby and a 15-week-old baby, protecting the latter but allowing the former to be killed for any reason.

PAUL BENJAMIN LINTON
Northbrook, Ill.

Mr. Linton is a former general counsel of Americans United for Life.

Please keep ringing the five-alarm fire warning to Republicans. If a Republican wants to be elected president, he or she must understand that a large part of the population doesn't mind being grouped with China and North Korea on abortion policy, aborting babies anytime up until birth, if it means avoiding a total ban.

Surely, Republicans can moderate to the middle, where a majority of developed countries are, and explain that the fetus feels pain around 15 weeks and it would be barbaric for abortion to take place after that, with exceptions for rape, incest or the life of the mother. If Republicans want to save our country, they must accept that abortion policy has to be negotiable and unifying. It isn't worth losing everything, including abortion policy, on that one issue.

MARY POTTS
Carlsbad, Calif.

Your editorial "The Left Wins Big in Midwest Elections" (April 6) argues Republicans "had better get their abortion position straight" or face further defeats. Fair enough. The GOP has too often relied on bumper-sticker phrases to express its views.

You err, however, in urging Republicans to draw "more in line with where voters are" on the issue. For one thing, most voters hold nuanced views on abortion that can't be expressed in up-or-down votes on legalistic referendums or campaign slogans. Candidates should determine what they really believe and then express it fully and with conviction. If this sounds idealistic, so be it. Candidates can't be persuasive, and hence can't really win, any other way.

PATRICK LOUIS KNUDSEN
Fredericksburg, Va.

Biden Can't Escape Blame for Afghan Fiasco

John Kirby, the National Security Council spokesman, said with a straight face that the Afghanistan withdrawal was executed with constraints previously set by the previous administration. In essence, it was former President Trump's fault ("Joe Biden Isn't Sorry About Afghanistan," Review & Outlook, April 7).

You rarely see such an act of unashamed temerity. The Biden administration had seven months to make any changes it wanted to avoid the debacle that followed.

Are we supposed to believe that Mr. Trump recommended giving up Bagram Air Base in the middle of the night? Did Mr. Trump recommend that backward sequence for the removal of our Afghan partners, equipment and personnel? Did Mr. Trump recommend not telling our NATO partners that we were leaving?

Remember, it was President Biden who disregarded his internal military advice about leaving behind a residual force in Afghanistan. All of this hearkens to former Defense Secretary Robert Gates's warning that Mr. Biden "has been wrong on every major foreign policy and national security issue over the past four decades."

PHIL SERPICO
Kew Gardens, N.Y.

Chicago Elects the Mayor of Union Dreams

One can't overemphasize the Chicago Teachers Union's (CTU) contribution to Brandon Johnson's election ("You Can't Throw the Bums Out if You've Voted with Your Feet" by Allysia Finley, Life Science, April 10).

I left Chicago 25 years ago and took my cellphone with its 773 area code with me. Over the years I have received an occasional call from 773, usually a solicitation. Between March 30 and April 4, I received 15 such calls, all concerning the election. Add that effort to the money and door-to-door work that CTU put in and bingo, a four-point victory.

I hope the people of Chicago realize that their government is going to be by the CTU, for the CTU and of the CTU. It will be unaccountable to boot.

JOHN HAUGEN
Lakeway, Texas

How was Mr. Johnson elected mayor of Chicago? ("The Left Wins Big in Midwest Elections," Review & Outlook, April 6). One might wonder. Wouldn't any parents working hard to support their families want lower crime, lower tax and better schools? The answer is evident in the comments I hear from many parents the day after the election: "I guess we just have to move to the suburbs." Yes. Sensible voters have been moving out of the city in droves in recent years, taking with them the hope of a better Chicago.

FRANCES LEE
Chicago

Say What You Will About Prohibition, Drinking Fell

In "Five Best: Books on Prohibition" (April 1), Jeanette Walls states that "drinking rose to record levels and America erupted into the most violent crime wave it had ever endured." Not so! Consumption during Prohibition at first decreased to 30% of its pre-Prohibition level, later rising to 60% or 70% of that level. Data were gathered using arrests for drunkenness, deaths by cirrhosis of the liver and other related causes and admissions for alcohol psychosis. Homicides continued on their upward trajectory, though there was more violence among criminals.

Alcohol abuse plays a huge part in family trauma and societal breakdown. There will always be harmful behavior—sin, if you will—and, from gambling to pot use, many states have decided to condone and tax it. It is an immoral approach and we are worse off for it.

R. PAUL UNGER
Spokane, Wash.

A Federal Pardon for Trump?

Vivek Ramaswamy is wrong in his op-ed "The President Can Pardon Trump" (April 6). A federal pardon can have no impact on this case. New York has chosen to create two classes of business-fraud crimes, one a misdemeanor and one a felony, the second being when business records are created fraudulently with "intent to commit another crime." Whether the other crime is charged, pardoned or never even committed doesn't matter. If a business record is created fraudulently with intent to commit another crime, the creation of the record is felony.

PROF. MICHAEL J. BROYDE
Emory University School of Law
Atlanta

China Won't Pause Research

Choose your AI doomsday, theirs or ours. But Peggy Noonan ("A Six-Month AI Pause? No, Longer Is Needed," Declarations, April 1) ignores at least four reasons why we can't unilaterally pause the development of artificial intelligence: China, Russia, Iran and North Korea.

WILLIAM GOLDMAN
Los Angeles

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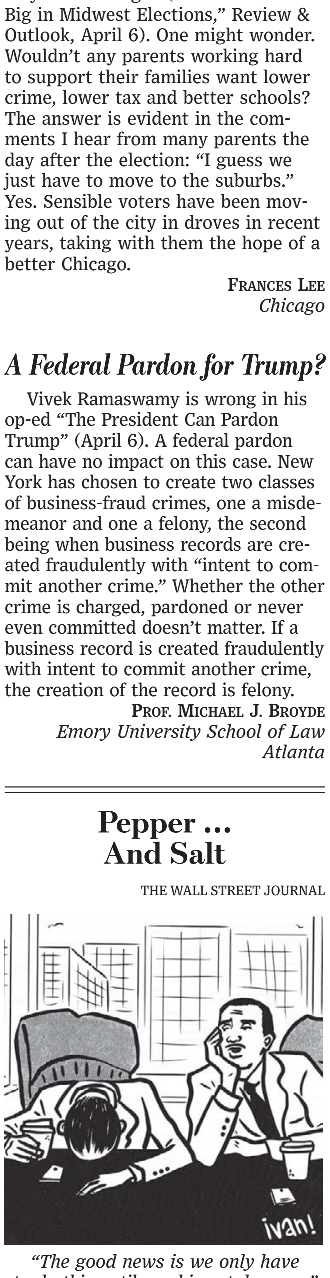
Pepper ... And Salt

THE WALL STREET JOURNAL



"The good news is we only have to do this until machines take over."

Mundell Predicted Our Economic Instability

By Sean Rushton

As the world attempts to stave off a new banking crisis, it's worth remembering the lessons of Nobel economics laureate Robert Mundell (1932-2021). Mundell showed that domestic economic policy doesn't operate in a vacuum but rather interacts with—and affects—global financial forces such as international capital and trade flows.

His "open economy" model considered policy under two very different monetary regimes. One assumed a global common currency system in which a currency's value was fixed, the quantity of money floated, and exchange rates among currencies were stable. This was the norm when he wrote in the 1950s and had been for hundreds of years. The other scenario, obscure until the early 1970s, assumed balkanized central banks fixing the quantity of money at their discretion, while a currency's value and its exchange rates floated. Mundell noted that the two systems functioned in completely different ways—a distinction that seems lost on many policy makers today.

The Nobel laureate knew that floating exchange rates would make the global economy volatile.

For example, he debunked the notion that monetary policy always operates with a "long and variable lag" of six to 18 months. The basis for this claim—Milton Friedman and Anna Schwartz's 1963 book, "A Monetary History of the United States"—gathered data from the 1870s through the 1950s, a time of mainly fixed exchange rates. Mundell said that under such conditions, there was some truth to the idea of a lag. But in the modern world of flexible exchange rates and lightning-fast capital movements, the idea was "poppycock."

He gave two examples: 1981-82 and 2008. In both cases, after a bout of rising inflation, tighter U.S. monetary policy contributed to big, sudden capital inflows. In the 1980s, it was the Reagan tax cuts plus the Federal Reserve's sky-high interest rate. In 2008, it was the Fed's unexpected reversal from dovish to hawkish policy during the initial phase of the subprime mortgage crisis. In both cases, capital quickly flowed into the dollar, the exchange rate appreciated, and commodity and other asset prices plummeted. In both cases, consumer prices fell sharply in the months following these initial market moves.

Mundell's decadeslong critique of floating exchange rates, which were implemented in 1973, was based on his deep understanding of how the practice really worked. Far from being a source of new stability and liberation, floating rates would leave most nations adrift, struggling in isolation to manage their currencies in a world suddenly dominated by huge speculative capital flows unlike anything that existed before.

The record bore him out: The floating-exchange-rate system of the past five decades has proved financially volatile and crisis-prone. Mundell cited four major fiascoes linked to exchange-rate swings: the international debt crisis of 1982, the savings-and-loan crisis of the late 1980s, the Asian financial crisis of 1997 and the global financial crisis of 2008. None of these, he noted, would have occurred under the fixed exchange-rate systems of the past.

SOUTH CHINA MORNING POST VIA GETTY IMAGES

Robert Mundell

To be sure, fixed rates carried the risk of other kinds of crises. Wars caused bouts of high inflation followed by painful attempts to restore prewar price levels. Branch-banking restrictions in the U.S. led to local cash shortages during harvest times. But the system itself was fundamentally stable as currency values were fixed and the quantity of money adjusted automatically across the system. Giant, currency-induced capital movements were rare.

Today, the U.S. dollar dominates the monetary world, and its movements, often driven by backward-looking Federal Reserve policies, can destabilize the entire system. In 2021-22 we saw a burst of monetary activism from the Fed, coinciding with a huge expansion of the money supply, a depreciation of the dollar with rising commodity prices, followed by high general inflation. Then, last year, as the Fed belatedly began raising its target rate, there was a big appreciation of the dollar, along with a falling money supply and declining commodity and consumer prices. The yield curve inverted last fall, and now banks are showing cracks, mitigated by an unprecedented federal pledge to back deposits without limit. Despite these quakes, the Fed raised its target interest rate in March, looking in the rearview mirror at lagging 12-month inflation data. The central bank's "dot plot" suggests another hike still to come this year.

In the years after 2008, Mundell called the global financial crisis the greatest policy blunder in Fed history aside from the Great Depression. The lost wealth, the bailouts, the multiple rounds of quantitative easing with huge up-down cycles for the dollar and price of oil—all contributed to the lost decade that followed where annual gross-domestic-product growth averaged about half its historical level. Anyone confused about the populist discontent that erupted in 2016 need look no further.

To show it has learned its lesson, the Fed should forget long and variable lags and watch real-time market prices. Declare victory in the war on inflation as long as the dollar remains relatively high and commodity prices don't spike. Beyond that, today's leaders should take Mundell's counsel on the need to end large exchange-rate swings, starting with the dollar-euro rate, which he called "the most important price in the world." Stability there, with future invitations to Japan and Britain to join, would begin to restore order to the system. China, which already maintains a relatively stable exchange rate with the dollar, could be kept at arm's length.

These reforms could give way one day to an international currency for settlement purposes, which Mundell suggested be made up, in equal measure, of major currencies and gold, to offset the global demand for dollars that keeps the U.S. trade deficit higher than it would be otherwise. Such a system would resolve the defects of the current system, restore financial stability and enable stronger economic growth.

Mr. Rushton is an adjunct fellow at the Jack Kemp Foundation.

A Little Work Never Hurt Anyone—Including Teenagers

UPWARD MOBILITY
By Jason L. Riley

The U.S. unemployment rate in March was just 3.5%, but among teenagers it was 9.8%—close to three times as high. It's not unusual to have a higher teen jobless rate, but it's a situation that deserves more attention from policy makers when labor markets remain extremely tight.

The labor-force participation rate for teenagers has been falling for more than 40 years, and the decline in the past two decades has been especially sharp. In 1978, labor-force participation among 16- to 19-year-olds was nearly 60%, and 20 years later it was still above 50%. Today, it's only 37%, even while job openings are as plentiful as ever.

One reason fewer young people work is minimum-wage laws can make them too expensive to hire, an economic reality that proponents play down or simply ignore. Another cause can be labor laws that make it illegal to hire teenagers at any wage, a situation that a growing number of states are moving to change.

Axios reported on current efforts in Iowa, Minnesota, Ohio and other states to ease teenage work requirements. With the permission of a parent or legal guardian, 14-year-olds could work later into the evening all year long, and 15-year-olds could be hired for positions currently off-limits to anyone under 18. Last year, Democratic Gov. Phil Murphy of New Jersey signed bipartisan legislation that allows 16-year-olds to work up to 50 hours a week during summer break and 14-year-olds to work up to 40 hours a week when not in school.

Last month in Arkansas, Republican Gov. Sarah Huckabee Sanders signed the Youth Hiring Act, which nixes the requirement that 14- and 15-year-olds get permission from the state to work. "It's apparently not enough for democrats to trap kids in failing schools. They also want to make it harder for teenagers to work part time or summer jobs," Ms. Sanders wrote on Twitter after signing the bill. "In Arkansas the days of trapping our people in poverty, welfare and government dependency are over."

Those days may be over in Arkansas, but they continue in California, where Democratic Gov. Gavin Newsom mocked Ms. Sanders over the new law. "Gotta admit—loosening child labor laws was not on my Top 10 List for our CA legislative session this year," Mr. Newsom tweeted. He's right to note that California and Arkansas have different priorities. Last year, at the urging of labor unions, Mr. Newsom signed legislation that allows the cost of hiring a fast-food worker to increase by an average of 41%.

Over objections from Big Labor, governors of both parties work to ease limits on youth employment.

A New York Times editorial likewise attacked Ms. Sanders and her state for being "at the vanguard of a concerted effort by business lobbyists and Republican legislators to roll back federal and state regulations that have been in place for decades to protect children from abuse." Like Mr. Newsom, the paper ignores that some Democrats, such as Mr. Murphy, also favor easing work restrictions for young people. To buttress its case, the Times cites reports of U.S. employers exploiting undocumented migrant children. But that's already illegal, and the proper response is prosecuting the offenders, not limiting the ability of able-bodied teenagers to fill jobs with parental approval.

The reality is that opponents of these state laws are carrying water for Big Labor. The goal is not protecting children. Rather, it's protecting the pay of current employees by restricting the supply of labor. To the extent that unions can limit employment opportunities, they can command higher wages for existing workers because employers have fewer alternatives.

Easing work requirements for young people won't end the labor shortage, but it will almost certainly help. It will also help young people who take advantage of opportunities to enter the labor force sooner. Among other things, putting teenagers to work can go a long way toward increasing their earnings later in life and keeping them out of trouble with the law. It lays the foundation for productive work habits. You learn the importance of being punctual and dependable. You gain experience that is worth more than your paycheck.

Research also shows that gainful employment is strongly correlated with a reduction in delinquent behavior. An analysis of New York City's summer youth employment program, the nation's largest, concluded that participation "decreases the chance that youth are arrested during the program summer by 17 percent and decreases the chance that they are arrested for a felony during the program summer by 23 percent." Similar programs in Chicago and Boston "have found relatively large reductions in the number of times at-risk youth are arrested for violent and other serious crimes in the year or two after the program ends."

If we want safer streets and a brighter future for our children, how about focusing more on expanding job opportunities and less on bail reform?

China Eyes Commercial Ships in a Move to Intimidate Taiwan

By Elisabeth Braw

When House Speaker Kevin McCarthy and Taiwan's President Tsai Ing-wen met in California last week, Beijing expressed its displeasure. It did so by sending patrol vessels to the Taiwan Strait, where Chinese authorities said the vessels might conduct inspections. China could use such inspections to block this vital trade artery. Friendly navies should signal support for Taiwan's navy. Governments should create an early-warning system for the shipping world, so vessels take alternate routes.

"A fleet led by the advanced Haixun 06 patrol ship continued to carry out its patrol task in the central part of the Taiwan Straits on Thursday, the second day of its three-day special operation," the state newspaper China Daily reported April 6. Beijing made clear that the flotilla, which arrived hours before Ms. Tsai met with Mr. McCarthy, might inspect cargo vessels traveling through the Strait.

The Taiwan Strait, the main passage for cargo moving between Southeast Asia and Japan, South Korea and Northern China, is one of the world's busiest waterways, traversed every year by almost half the world's container ships. Though the strait is 200 nautical miles wide, only a stretch of 15 miles is deep enough for modern ships. Beijing says it has "sovereignty and jurisdiction" over the strait, which Taiwan and countries including the U.S. consider international waters. Since 1955, coexistence has been possible thanks to the "median line" drawn through the waters by U.S. Air Force Gen. Benjamin Davis, which functions as an unofficial maritime border.

Taiwan instructed shipping lines not to comply with any inspections by the Haixun 06-led flotilla. "This is a virtual blockade," said retired Rear Adm. Mark Montgomery, a former director of operations at U.S. Pacific Command. "It's a way for China to make shipping companies and insurers stay away from Taiwan."

This time, the fleet reportedly conducted no inspections—but next time it might. Inspections would wreak havoc on the 240 ships that travel through the strait on an average day. "Ten ships an hour in a 15-mile area means they could quickly back up if not carefully managed," said Neil Roberts, secretary of the Joint War Committee, a maritime-insurance body that classifies risks. Through such maneuvers, China would be marking the Taiwan Strait as its exclusive economic zone and could create a blockade. The strait passage is essential not only for countries in the region but global supply chains, which depend on parts and assembly in Southeast Asia and Northern China.

"It will be a major issue if it escalates, and clearly the war market is keeping watch, but so far the status quo has been maintained," said Simon Lockwood, a maritime expert with insurance broker Willis Towers Watson. "China may want full control of Taiwan, but it also needs maritime trade." In 2021—the latest year for which data are available—merchant ships from around the world made 260,464 calls in Chinese ports. Shipping companies' challenge, though, is that Xi Jinping may need clout more than maritime trade. The Chinese leader has shown he is willing to sacrifice economic success to strengthen his power and has clipped the wings of China's most prominent tech firms. When Mr. Xi was elected to a third term last fall, shares of Chinese tech giants plunged.

An 'inspection' flotilla could be the first step in a blockade of the island. The world needs to be ready.

If Ms. Tsai keeps meeting with foreign leaders, Mr. Xi could blockade Taiwan with inspection flotillas. Because it would be ship inspections, not a military assault, neither Taiwan nor its allies would be able to retaliate in a meaningful way. Because China also claims sovereignty over most of the South China Sea, countries including Vietnam and the Philippines (and the vast amounts of global shipping going to and from them) could risk similar disruption if Beijing feels aggrieved by their governments.

We should prepare for such a scenario. Weeks before acts that might rile Beijing, governments should alert the Joint War Committee and other maritime organizations so that ships can take alternate routes. But because Beijing wants to frighten the shipping industry—which transports 80% of the world's trade—away from Taiwan, the first step is for friendly navies to signal their support of the island. "The U.S. Navy should conduct joint exercises with the Taiwanese Navy, and we could conduct them near ports," Adm. Montgomery said. The National Defense Authorization Act for fiscal 2023 includes expanded U.S.-Taiwan military cooperation.

China further avenged Ms. Tsai's meeting with Mr. McCarthy by conducting a simulated military attack on Taiwan. The U.S. military is used to defanging such threats through exercises; it is currently conducting a preplanned one with the Philippines in the South China Sea. But China has been able to sow fear of nonmilitary disruption because other countries have few plans to handle the resulting chaos. Together, governments and the shipping industry can blunt China's inspection threats. And there would be no point sending an "inspection fleet" to the Taiwan Strait if it couldn't carry out its mission.

Ms Braw is a senior fellow at the American Enterprise Institute and an adviser to Gallos Technologies.

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Notable & Quotable: Religion

John Blake reporting for CNN.com, April 9:

For years, church leaders and commentators have warned that Christianity is dying in America. They say the American church is poised to follow the path of churches in Western Europe. . . . Yet when CNN asked some of the nation's top religion scholars and historians recently about the future of Christianity in the US, they had a different message.

They said the American church is poised to find new life for one major reason: Waves of Christians are migrating to the US. . . .

The US has more immigrants than any other country. People from Latin America and Asia now make up the overwhelming majority of immigrants to the US, and many are bringing their religious fervor with them. . . .

Those who predict that the church in America will collapse often overlook how the migration of Global South Christians to America will revitalize the country's religious landscape, scholars say. Christianity could rebound in America if White Christians embrace this one change, they say.

Biden to Hail Northern Ireland Peace Pact

President to mark 25th anniversary of historic accord that ended the Troubles

By David Luhnow And Catherine Lucey

PATRICK SEMANSKY/ASSOCIATED PRESS

U.K. Prime Minister Rishi Sunak greeted President Biden at the Belfast airport on Tuesday night.

President Biden arrived in Northern Ireland on Tuesday to celebrate a quarter-century since the Good Friday Agreement ended the U.K. province's civil conflict, part of a four-day trip that also will take him to his family's ancestral homeland, the Republic of Ireland.

Mr. Biden, who like many Americans embraces his Irish roots, was greeted at the Belfast airport by U.K. Prime Minister Rishi Sunak. The visit kicks off in earnest on Wednesday with another meeting with the U.K. leader and a speech at a Belfast university expected to commemorate the 1998 agreement and underscore an American commitment to keep the peace in the restive province, which remains largely cleaved between pro-U.K. Protestants and pro-Irish Catholics.

The U.S. commitment has been on display in recent months and years, as Mr. Biden has pressured the U.K. government to resolve a trade dispute between Britain and the European Union that could have risked the peace deal by placing a customs border between the British province and the rest of the island of Ireland.

That effort seemingly paid off when Mr. Sunak in February struck a compromise with the EU called the Windsor Framework. The deal would keep a trade border along the Irish Sea—essentially ensuring Northern Ireland remains part of the EU common market—but ease trade between Northern Ireland and the rest of Britain by reducing checks on goods. The deal came at a cost to Mr. Sunak by angering the main pro-U.K. unionist party, which says the sea border divides the province from the rest of Britain.

On Tuesday, Mr. Biden told reporters before boarding Air Force One that his priority on the trip was to "make sure the Irish [peace] accords and the Windsor agreement stay in place—keep the peace. That's the main thing."

Security in Northern Ireland remains a work in progress but has improved vastly since the three decades of conflict between 1969 and 1998 known as the Troubles, when sectarian violence killed roughly 3,700 people, maimed tens of thousands more and created a climate of terror. Paramilitary groups such as the Irish Republican Army used car bombs and assassinations to try to end British rule over the province, while pro-U.K. groups responded by targeting republican activists and Catholic civilians.

Mr. Biden is also likely to tout U.S. investment in the province. Last year, he tapped former congressman Joe Kennedy III as the U.S. special envoy to Northern Ireland for economic affairs. Mr. Kennedy will focus more on economic development than politics compared with previous officials in the role. The appointment of a member of the Kennedy political dynasty signals Mr. Biden's commitment to the province.

The U.S. was deeply involved in the talks that ultimately led to peace. Former Senate Majority Leader George J. Mitchell was the chair of the peace talks and then-President Bill Clinton lobbied all sides to help get the peace deal across the finish line. Ever since the deal was struck, U.S. presidents have taken a keen interest in Northern Ireland: Mr. Clinton visited three times, George W. Bush twice and Barack Obama once.

The deal has been unable to fully reconcile what remains a deeply divided society but has allowed a new generation to grow up in peace.

"There are thousands of people alive today that otherwise wouldn't be without the peace deal...and that's a remarkable achievement," said Richard English, head of the George J. Mitchell Institute for Global Peace, Security and Justice at Queen's University Belfast. "Has it produced reconciliation or harmony? No, it is a sullen peace. But a sullen peace is better than no peace."

Despite the progress, there are deep and real problems in the province of 1.9 million. A local power-sharing assembly set up under the peace agreement that has powers over issues such as healthcare, education and policing has been shut down for 40% of the time since the peace deal due to political infighting, including the past year.

Purported Leaks Show Hungary's Ire

By Thomas Grove

DENES ERDOS/ASSOCIATED PRESS

Prime Minister Orban has defended ties with Russia and China.

WARSAW—Hungarian Prime Minister Viktor Orban named the U.S. as one of the top three adversaries for his Fidesz Party, according to a purportedly leaked Central Intelligence Agency assessment, underscoring the depth of a longtime rift between Washington and a North Atlantic Treaty Organization member that has increasingly defended its ties with Russia and China.

The document was part of a larger trove of purportedly leaked papers that provided details about the war in Ukraine, showed the extent of American intelligence about Russian military secrets, and shed a light on Washington's intercepted communications about U.S. allies.

The CIA intelligence update, dated March 2, said Mr. Orban's inclusion of the U.S. as a top adversary in a Feb. 22 political strategy meeting "constitutes an escalation of the level of anti-American rhetoric."

The note listed the U.S. Embassy as the source for the information, raising the possibility of U.S. monitoring of the ruling party meeting.

Mr. Orban didn't respond to a request to comment. The State Department said the Pentagon and U.S. intelligence agencies are assessing the authenticity of the documents.

The Wall Street Journal wasn't able to independently authenticate the leaked documents, including the file that includes the purported CIA finding, but they contain enough detail to give them credibility.

Defense officials have said they believe some of the documents could be authentic, though some appear to have been altered.

Since Russia's invasion of Ukraine in February 2022, Budapest has expressed broad skepticism of Western priorities, including shedding dependence on Russian energy and sending military aid to Ukraine. The rhetoric in the meeting, however, shows the extent of the long-running problems between Hungary and the U.S.

Hungarian Foreign Minister Péter Szijjártó, speaking in Moscow on Tuesday, said he had reached a new energy deal with Russia, giving Budapest latitude to import Russian gas volumes beyond those agreed in a long-term contract signed last year. Hungary has likewise criticized Western efforts to recruit it as part of a united front against China, which Budapest has aggressively courted for years.

Earlier this year, China's top diplomat, Wang Yi, visited Hungary, despite U.S. concern about growing Chinese investment in the country. Mr. Wang met with the five-term prime minister, who has governed Hungary for half of its post-Communist history.

Budapest was the first in the European Union to sign a so-called Belt-and-Road infrastructure development memorandum with Beijing, which financed a Chinese-built rail line connecting the country to Serbia.

Hungary hosts Huawei Technologies Co.'s largest supply center outside China, despite U.S. pressure to ban the tech company.

After expelling Budapest's Central European University, a U.S.-accredited college founded by liberal billionaire George Soros, Mr. Orban agreed to host Shanghai's Fudan University, whose Hungarian campus would become the first Chinese university in the European Union.

Hungary's stance on China has yielded benefits for Budapest. Last year, Chinese battery manufacturer Contemporary Amperex Technology Co. Ltd. announced it was building a €7 billion battery factory, equivalent to $7.5 billion, in Debrecen in eastern Hungary.

Volcano Spews Ash In Far Eastern Russia

By Ann M. Simmons And Gareth Vipers

A strong volcanic eruption in Russia's Far East covered nearby towns and villages in ash early Tuesday, authorities said, with aviation officials warning of possible impacts for international air travel.

The eruption of the Shiveluch volcano in the northeastern region of the Kamchatka peninsula sent ash billowing more than 26,200 feet into the sky, said the Kamchatka Volcanic Eruption Response Team. Explosions were continuing, it said.

Ash clouds drifted about 300 miles south and southwest of the volcano, blanketing homes and vehicles in a thick layer of dust. Further explosions of up to 9 miles could occur at any time, the agency said.

"Ongoing activity could affect international and low-flying aircraft," said the agency, which is responsible for providing information on volcanic activity to international air navigation.

Images on Russian state television showed settlements in Kamchatka completely covered in ash. The Kamchatka branch of Russia's Ministry of Emergency Situations warned that because of a change in wind direction, volcanic ash could fall on several municipal and urban districts.

Russia's federal agency for air transportation said the volcanic eruption was assigned a "red aviation hazard code," the maximum designation, indicating that an eruption is under way with a significant emission of ash into the atmosphere. It cautioned flight crews to "take into account the peculiarities of this natural phenomenon when choosing routes for domestic and international flights."

European and U.S. airlines aren't currently permitted to use Russian airspace so are less exposed to the eruption of Shiveluch, said a spokeswoman for the European Aviation Safety Agency.

Macron Renews Call For a Sovereign Europe

By Noemie Bisserbe And Laurence Norman

French President Emmanuel Macron called on Europe to forge its own sovereignty, in an address that risks heightening trans-Atlantic tensions after he said on a trip to China last week that Europe shouldn't be pulled into tensions between Washington and Beijing over Taiwan.

Mr. Macron delivered the speech Tuesday at The Hague, where the French leader began a two-day state visit to the Netherlands. He said Russia's invasion of Ukraine and the Covid-19 pandemic had exposed Europe's reliance on foreign suppliers of essentials like medicine and energy. Europe has turned to the U.S. for natural-gas deliveries that have allowed it to end its decadeslong dependence on Russian supplies.

"If you accept to depend on other powers, you put yourself in a situation not to decide for yourself," Mr. Macron said. "Defending sovereignty doesn't mean to shy away from our allies, it means we must be able to choose our partners and shape our own destiny," he added.

Mr. Macron also said the European Union needed a comprehensive doctrine to ensure the bloc's economic security, one based on principles like stronger European integration and a common industrial policy.

The French president didn't mention Taiwan in his Tuesday address, but recent remarks he made about the island loomed large. While traveling to Beijing and the southern Chinese city of Guangzhou on Friday, Mr. Macron told reporters from Politico and French daily Les Echos that Europe should avoid becoming a follower of the U.S. and aim to become a third superpower, alongside the U.S. and China.

"If the tensions between the two superpowers heat up...we won't have the time nor the resources to finance our strategic autonomy and we will become vassals," Mr. Macron is quoted as saying by both publications.

"The trap for Europe would be...to get caught in crises that aren't ours," Mr. Macron is quoted as saying by Les Echos. French officials confirmed the remarks.

Mr. Macron's remarks sparked anger on both sides of the Atlantic, although White House officials said Monday they were comfortable in their relationship with France. One leading U.S. lawmaker called the comments embarrassing and disgraceful while others, like Republican Sen. Marco Rubio of Florida, asked whether the French president's views reflected Europe's stance.

On Tuesday, a group of European parliamentarians said this was "the worst moment to send a signal of indifference over Taiwan."

WORLD WATCH

NARINDER NANU/AGENCE FRANCE-PRESSE/GETTY IMAGES

DEVOTION: Sikhs mark the anniversary of the 1621 birth of the ninth guru, Tegh Bahadur, at the Golden Temple in Amritsar, India.

MYANMAR

Up to 100 Killed by Airstrikes on Village

Airstrikes by Myanmar's military on Tuesday killed as many as 100 people, including many children, who were attending a ceremony held by opponents of army rule, said a witness, a member of a local pro-democracy group and independent media.

The military is increasingly using airstrikes to counter a widespread armed struggle against its rule, which began in February 2021 when it seized power from the elected government of Aung San Suu Kyi.

A witness said a jet fighter dropped bombs into a crowd of people who were gathering for the opening of a local office of the country's opposition movement outside Pazigyi village in Sagaing region's Kanbalu township. About half an hour later, a helicopter appeared and fired at the site, the witness said.

The military government's spokesperson acknowledged in a statement to state television MRTV that the ceremony had been attacked, but accused antigovernment forces of carrying out a violent campaign of terror.

—Associated Press

PHILIPPINES

War Drills With U.S. Are Largest in Years

American and Filipino forces on Tuesday launched their largest combat exercises in decades in the Philippines and its waters across the disputed South China Sea and the Taiwan Strait, where Washington has repeatedly warned China over its increasingly aggressive actions.

The annual drills by the longtime treaty allies called Balikatan—Tagalog for "shoulder-to-shoulder"—will run up to April 28 and involve more than 17,600 military personnel. It will be the latest display of American firepower in Asia, as the Biden administration strengthens an arc of alliances to better counter China, including in a possible confrontation over Taiwan, an island democracy that Beijing claims as its own.

That dovetails with efforts by the Philippines under President Ferdinand Marcos Jr. to defend its territorial interests in the South China Sea, which China claims virtually in its entirety.

About 12,200 U.S. military personnel, 5,400 Filipino forces and 111 Australian counterparts are taking part in the exercises.

—Associated Press

TECHNOLOGY: SOUTH KOREA FINES GOOGLE OVER APP TACTICS B4

BUSINESS & FINANCE

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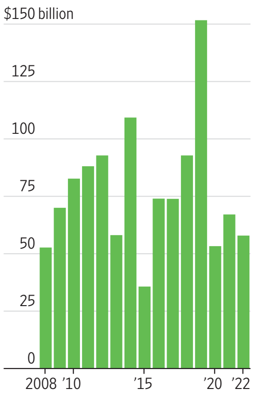
Total value of U.S. shale deals per year



Sources: Mizuho Securities; Enverus

Shale Industry Readies Deal Wave

Drillers are flush with cash but are worried about inventories and high costs

By Benoît Morenne And Collin Eaton

Exxon Mobil Corp.'s hunt for a blockbuster deal in U.S. shale could kick off a bonanza of deal making in the oil patch as drillers look to put large war chests of cash to work.

The oil giant has held preliminary talks with **Pioneer Natural Resources** Co., a Texas fracker with a roughly $52 billion market capitalization, about a potential acquisition, The Wall Street Journal reported last week. Exxon, which has been on the prowl in the Permian Basin for months, has also discussed a potential deal with at least one other company, the Journal reported.

Such a transaction would send the strongest signal yet that drillers in the Permian, the hottest U.S. oil field, are set to bulk up through acquisitions. Oil companies boast healthy balance sheets that give them the stomach and means to shop for targets.

The Journal reported there is no formal process between Exxon and Pioneer, and any deal, if it happens, likely wouldn't come together until later this year or next year. On Monday, the first day of trading since the Journal's story, Exxon's stock dropped less than 1% while Pioneer's stock jumped about 6%.

Investment bankers and analysts have said conditions are ripe for a deal frenzy in the oil patch this year.

The shale industry has shifted from the rapid growth it pursued for more than a decade to a mature business underpinned by fiscal restraint and hefty investor payouts. But shale companies are contending with dwindling drilling locations. Drilling for new oil discoveries has fallen out of favor with investors, leaving many companies with few options other than to acquire rivals to extend their runway.

"We think generally, there's more consolidation that's needed in our business," **ConocoPhillips** Chief Executive Ryan Lance told analysts in February.

Wall Street plowed money into several American frackers on Monday, including **APA** Corp., **Coterra Energy** Inc. and **Diamondback Energy** Inc., adding $7 billion to the collective market value of the 20 largest independent U.S. oil-and-gas companies. Shale stocks climbed even though oil prices declined about 1% Monday because investors were largely betting on an increase in oil mergers and acquisitions, said Neal Dingmann, an

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Air Jordans Sell for Record $2.2 Million

By Jacob Gallagher

Michael Jordan has toppled Kanye West as the sneaker resale market's champion.

A pair of signed Air Jordan XIII sneakers, worn by Mr. Jordan during the 1998 NBA finals, sold at **Sotheby's** for a record-breaking $2.2 million including fees on Tuesday—the new public sales record price for any pair of sneakers. The previous record holder was a Nike Air Yeezy 1 prototype model, which sold at private sale in 2021 for $1.8 million.

Though the online auction didn't ignite the bidding frenzy that some in the sneaker-collecting world anticipated, a single, early $1.8 million bid won out. The bid fell short of Sotheby's $2 million to $4 million estimate.

In recent years, nostalgia-mad collectors and sports-memorabilia speculators have made five- or six-figure hammer prices for Nikes the norm at auction houses like Sotheby's and Christie's.

Sales of Jordan sneakers in particular have been steep—reflecting Mr. Jordan's enduring popularity, two decades after his retirement. The auction also completed just days after the opening of "Air," the movie dramatizing how Nike secured Mr. Jordan.

In late February, Sotheby's announced that it would be offering the "Dynasty Collection," a set of six Nike Air Jor-

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DON GRAYSON/NBAE/GETTY IMAGES

Michael Jordan, wearing his eponymous shoes, passes the ball against the Utah Jazz during game two of the NBA Finals in 1998.

Warner's Streaming Rivals Follow Its Lead

By Joe Flint

David Zaslav stopped being a streaming evangelist before it got trendy.

On Wednesday, the **Warner Bros. Discovery** Inc. chief executive is expected to unveil the media behemoth's much-anticipated new streaming service—a motivating factor for the 2022 merger between entertainment giant WarnerMedia and reality-programming factory Discovery Inc.

Launching a platform where people can watch everything from "Succession" to "Dr. Pimple Popper" had been a priority since the deal closed last April.

But when he took over, Mr. Zaslav made one thing clear: He wasn't as enthusiastic about streaming as his predecessor, Jason Kilar, and his competitors, who had moved to make nascent services the focus of their growth strategy. That, in turn, had led them to outbid one another to land buzzy shows and recruit high-

Please turn to page B2

Health-Insurer Stocks Gaining Allure

By Charley Grant

Health-insurance stocks had an unusually poor start to the year. Wall Street is banking on a turnaround.

Shares of **UnitedHealth** Group Inc. have climbed 10% in April, trimming their 2023 declines to 1.7%.

CVS Health Corp., the owner of Aetna, has risen 2.7% this month but is down 18% this year, while **Humana** Inc. has advanced 9.9% and 4.2% over the month and year, respectively.

Despite the recent rebound, 2023 has been a trying year for insurers large and small. An equal-weighted index of insurance stocks has shed 10% and is on pace for its first annual decline since at least 2010, according to data compiled by Mizuho Americas.

The industry is in focus ahead of Friday's earnings report from UnitedHealth, which investors typically watch closely for clues about broader healthcare trends.

The recent rally in the stocks followed a March 31 announcement that Centers for Medicare and Medicaid Services will reimburse private insurers that administer Medicare plans at a higher rate in 2024 than analysts expected. Additionally, new rules that could eventually reduce payments from the government to insurance companies will be phased in more slowly than originally planned.

The result capped a months-long struggle between the Biden administration and the industry—and removed a major overhang on the shares.

Insurers have steadily grown sales and profits since 2010 when the Affordable Care Act, which expanded patient access to medical care, became law. Stock prices followed.

Several factors have caused this year to be different. A marketwide pivot from value stocks—or those that trade at low multiples of their book value, or net worth—and a host of industry challenges have slowed their momentum.

"There's been a total shift away from stocks which have that profile," said Keith Buchanan, portfolio manager at Globalt Investments, who owns UnitedHealth shares in his fund.

UnitedHealth's underperformance has been a drag on the Dow Jones Industrial Average. Trading above $500, the stock has the biggest impact on the price-weighted index. The Dow has risen just 1.6% this year, while the S&P 500—a broader benchmark weighted by market value—has advanced 7%.

Among the industry-specific

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Bank Collapses Test FDIC's Reserve Corps

By Candice Choi and Ben Eisen

Tim Mayopoulos was squashed into a middle seat in coach on his flight to San Francisco, the only one available when he booked that afternoon. The Wi-Fi wasn't working, so he pulled out a notepad to jot down what he would say to employees when he started his new job as chief executive of the failed Silicon Valley Bank the next morning.

Around the same time that Sunday evening, Greg Carmichael walked into Signature Bank's Midtown Manhattan headquarters. The employees on site had just learned the Federal Deposit Insurance Corp. was seizing the bank and booting its chief executive. Mr. Carmichael was in charge now.

"I walked in, put my briefcase down, and the FDIC asked me if I would address the group," Mr. Carmichael said.

Both Messrs. Mayopoulos and Carmichael were called up from an FDIC reserve corps of industry veterans who could parachute in when a bank went down. The group, formed in 2017, came about after the 2008 financial crisis, when the agency had to install one of its own top officials to lead a failed IndyMac.

For years, no one needed them. That changed the weekend of March 12.

That evening, federal regulators announced that, in addition to SVB's seizure on Friday and that of Signature on Sunday, they were taking emergency measures to stop a run on regional banks that was threatening to destabilize the financial system. SVB and Sig-

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Ex-Executives of Outcome Health Found Guilty of Fraud at Medical-Ad Startup

By Rolfe Winkler, John Keilman and Patrick Thomas

CHICAGO—A federal jury convicted three former executives of the once-highflying startup **Outcome Health** on several charges that they ran a billion-dollar scheme that defrauded customers including major pharmaceutical companies such as **Novo Nordisk** A/S as well as investors including **Goldman Sachs Group** Inc.

The verdict caps the fall of an executive team led by Rishi Shah, who was close to Illinois Gov. J.B. Pritzker and a budding star in Democratic circles before fraud was revealed in a Wall Street Journal article in 2017. Chicago's then-Mayor Rahm Emanuel had declared at a company news conference "as Outcome goes, so goes Chicago."

Mr. Shah, Outcome's former chief executive and co-founder, along with former President Shradha Agarwal and former Chief Financial Officer Brad Purdy didn't testify during the weekslong trial.

"Today's verdict deeply saddens Mr. Shah, and he will exhaust every avenue to overturn this result," a spokesman for Mr. Shah said. A representative for Ms. Agarwal said her defense is reviewing the verdict. Mr. Purdy's lawyer said he is disappointed in the jury's verdict.

Their defense team argued that a former executive who pleaded guilty to fraud, and who was the government's star witness at trial, was responsible for the criminal conduct at the company. Two other employees who reported to that executive, Ashik Desai, each pleaded guilty to conspiracy to commit wire fraud.

Mr. Desai struck a deal with the government for a reduced sentence in exchange for testifying against his former bosses.

Mr. Shah was convicted on 19 of 22 criminal counts of wire, mail and bank fraud, while Ms. Agarwal was convicted on 15 of 17 counts and Mr. Purdy was convicted on 13 of 15 counts. The defendants could face years in prison as a result of the convictions. It is likely that they will appeal the verdict.

Separately, the Securities and Exchange Commission has charged the three former executives and Mr. Desai with fraud and has obtained a partial consent judgment against Mr. Desai in that case, which is pending. Outcome itself admitted that its former executives and employees defrauded clients and agreed to pay them $70 million as part of a 2019 deal to resolve federal fraud charges.

Outcome, which merged in 2021 with rival PatientPoint, operated a business installing video screens in doctors' of-

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BUSINESS & FINANCE

Air Jordans Sell for Record

SOTHEBY'S

Basketball great Michael Jordan signed the sneakers, which he wore in the 1998 NBA finals.

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dan sneakers that Mr. Jordan wore during the six NBA championship games the Chicago Bulls won in the 1990s, at private sale.

Sotheby's wouldn't disclose if the shoes, which are currently touring the world, have sold, but sneaker experts speculated they could fetch tens of millions. (Tuesday's pair isn't a part of the set.)

The record-breaking, size 13 Air Jordan XIII sneakers, in a black-and-red colorway (or "Bred" to fans), were worn by Mr. Jordan during the second half of game 2 of the 1998 finals. Mr. Jordan would notch 37 points during that game as his Chicago Bulls edged out the Utah Jazz.

Following the game, he signed each shoe along the toe box and gave them to a ball boy, Sotheby's said. The ball boy's identity isn't publicly known, and it isn't clear when he sold them in a private sale.

This was the sneakers' first time at auction. Sotheby's didn't disclose the seller or the buyer.

For 25-year-old sneakers, the shoes are in near-mint condition.

"It looks like Michael took them off his feet yesterday," said Brahm Wachter, head of streetwear and collectibles at Sotheby's.

He also noted that the placement of Mr. Jordan's oversize signatures, conspicuously along the top of each shoe, as opposed to along the side, also made the pair particularly enticing.

The 1998 season is known as "The Last Dance," as it was the hall of famer's last season with the Bulls.

A 2020 serialized documentary—also called "The Last Dance"—covered that season, as Mr. Jordan battled toward his sixth NBA championship with the team.

Sneaker collectors and Jordan junkies credit that documentary with igniting a MJ-mania that has sent recent prices of game-worn gear by Mr. Jordan to new heights.

In 2021, Sotheby's sold a pair of Nikes from his rookie year for $1.5 million, shattering a previous record for Jordan's sneakers set just a year before.

Also in 2021, a jersey from his days at the University of North Carolina fetched $1.4 million at Heritage Auctions in New York.

The next year, Sotheby's sold a Jordan-worn jersey from the opening game of the 1998 NBA finals for $10.1 million.

The market for Jordans was softer just a few years ago. In 2011, a pair of signed, game-worn Air Jordan XIII's, in the same colorway as the pair sold at Sotheby's this week, sold at Heritage Auctions for just $3,833.75.

Last year, Christie's sold a pair of signed Air Jordan low XIII sneakers, worn by Mr. Jordan during Game 5 of the finals during his "Last Dance" season for $378,000—less than one-fifth the price of the Jordans sold Tuesday.

WARNER BROS/EVERETT COLLECTION

The company is looking to make the most of its well-known franchises, including 'Harry Potter.'

Warner Rivals Follow Lead

Continued from page B1

profile talent.

"We are not trying to win the direct-to-consumer spending war," Mr. Zaslav said almost a year ago, during his first earnings call after the deal was finalized.

Lately, other entertainment conglomerates, including **Walt Disney** Co. and **Paramount Global**, have taken a page from Mr. Zaslav's playbook amid growing streaming losses. Even streaming leader **Netflix** Inc. is taking a more cautious approach, scrutinizing programming costs and looking for other ways to generate revenue as subscription growth slows.

Among the strategies embraced by Mr. Zaslav that seemed counterintuitive a few years ago: boosting the number of theatrical releases and creating content for rival media companies.

Mr. Zaslav argues that making a movie that will only live on a streaming service is a waste of resources. Movies that have a theatrical release—even those that didn't perform strongly at the box office—do better on the HBO Max platform. "There's an ecosystem of economic return when you open something in the theaters," he said during an analyst conference last November.

Amazon.com Inc.'s Prime Video and **Apple** Inc.'s TV+ streaming services are increasingly embracing the theatrical-first model. Amazon recently opted to put "Air," a Ben Affleck-directed sports drama about Nike Inc.'s bid to create a basketball shoe line with then-rookie Michael Jordan, in theaters first instead of going straight to streaming.

Apple plans to release its Martin Scorsese movie, "Killers of the Flower Moon," starring Leonardo DiCaprio in theaters before it makes its way to Apple TV+.

In contrast with the previous leadership at Warner, which wanted its television-production arm to focus primarily on making shows for its own family of cable channels and streaming platforms, Mr. Zaslav has said he prefers the "arms dealer" approach. "There's a lot of bidders for content," he said in November.

He has even rethought the idea that Warner Bros. Discovery will have only one streaming service, deciding instead to keep the Discovery+ platform up and running even after the new as-yet unnamed combo-platter platform launches.

"No subscriber left behind," Mr. Zaslav said of the decision to keep Discovery+ going for those customers who want a low-price service and aren't interested in getting content from HBO and the Warner Bros. library of movies and TV shows.

> David Zaslav prefers the 'arms dealer' approach to producing content.

Mr. Zaslav's prediction last year that other media giants would follow Warner Bros. Discovery's lead and start to retrench from their streaming-or-bust business models has proved prescient.

Disney Chief Executive Robert Iger recently said the company needs to rethink how much it spends on content for its Disney+ and Hulu streaming platforms.

"We're going to rebalance a bit because those linear channels and movie theaters...still can provide us with a significant amount of monetization capability," Mr. Iger said in February on an earnings call.

Mr. Iger has also said Disney would reconsider its stance on not selling content to other platforms. "As we look to reduce the content that we're creating for our own platforms, there probably are opportunities to license to third parties," he said at an analyst conference last month.

Even some of Mr. Zaslav's most controversial moves—including killing finished films such as "Batgirl" and yanking television series off the HBO Max streaming service to save money and take tax write-offs—have become the norm at other media companies.

Paramount Global's Showtime recently said it wasn't going to air "Three Women," a series that had finished production. It also removed nearly two dozen older shows from its services. **AMC Networks** has done so as well, recently canceling the dramas "61st Street" which had just wrapped production on its second season, and "Invitation to a Bonfire," which had nearly finished filming its first season.

The launch of the new streaming service is an opportunity for Warner Bros. Discovery to turn the corner after a difficult first year that saw layoffs and morale issues, including the abrupt shutdown of streaming service CNN+ mere weeks after it was launched.

The company's stock is up nearly 60% this year but still down more than 30% from when the deal closed on April 8 of last year.

The combined streaming platform is expected to cost $15.99, but an increase down the road is possible as Mr. Zaslav has long argued that most streaming services are underpriced given the amount spent on content.

"That just doesn't make sense," he told analysts last fall.

Mr. Zaslav is also looking to make the most of the many well-known franchises owned by the company.

"We are very fortunate to have a huge share of the most beloved and globally recognized storytelling [intellectual property] in the world, including 'Harry Potter,' 'Game of Thrones,' 'Superman,' 'Batman,' 'Lord of the Rings,' and we intend to take full advantage of these one-of-a-kind franchises across our various platforms," he told analysts in February. During that call, he announced that a new raft of "Lord of the Rings" movies was in the works.

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THE WALL STREET JOURNAL.

Carrier Plots to Spin Off Fire Unit

By Laura Cooper And Lauren Thomas

Carrier Global Corp. is working on a plan to sell or spin off its fire-and-security business segment, which accounts for about 17% of the air-conditioning company's sales, according to people familiar with the matter.

The process is in an early stage, the people said, and there is no guarantee the company will follow through.

The fire-and-security business accounted for $3.6 billion of Carrier's total sales of $20.4 billion in 2022.

Demand for Carrier's fire-and-security products, which are used across residential, commercial and industrial properties, was mixed in the most-recent quarter, buffeted by slower new construction in some markets, management said on a conference call in February. That has helped spur calls from some investors and analysts for the company to consider separating out the division, which they consider a drag on its valuation.

Carrier was formed after United Technologies Corp. separated itself into three independent companies, breaking apart one of America's last industrial conglomerates, a move completed in 2020.

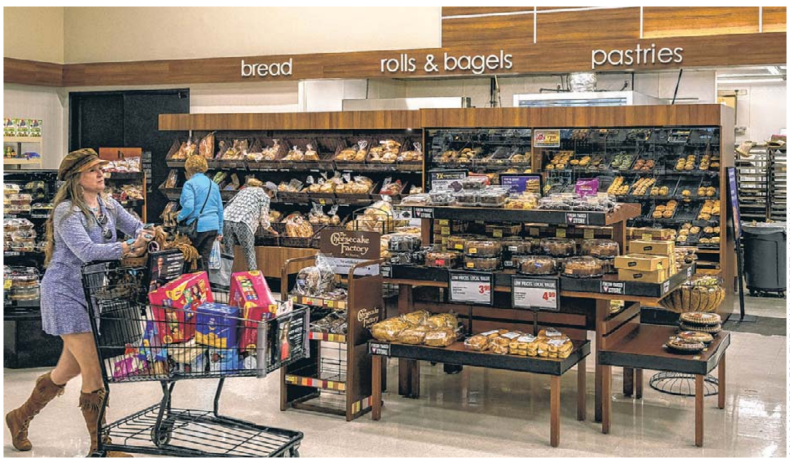
A number of companies have lately looked to shed divisions and streamline their operations. **General Electric** Co. spun off its healthcare unit into an entity known as **GE HealthCare Technologies** Inc.

Last year, **Kellogg** Co. said that it planned to break into three, separating its North American cereal and plant-based food businesses. In 2021, **Johnson & Johnson** said it would split into two companies, choosing the name Kenvue for the planned stand-alone company that would house consumer-health brands including Band-Aid and Tylenol.

Emerson Electric Co. said in October it would sell a majority stake in its climate-technologies business to private-equity firm **Blackstone** Inc., allowing the industrial company to streamline its business and expand its technology and automation offerings.

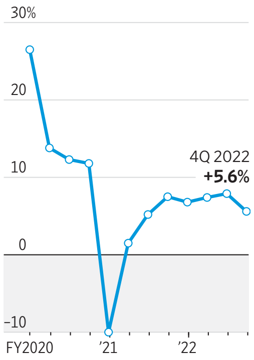
Albertsons Records Decline in Profit

By Dean Seal



The grocer said gross margins slid due to a fall in Covid-19 vaccinations and a rise in product costs.

Albertson's identical store sales, change from a year earlier



Note: Fiscal year ended Feb. 25
Source: the company

Albertsons Cos. sales rose 5% to $18.27 billion in the recently ended quarter as consumers continue to stomach higher food prices.

The supermarket company, which operates chains such as Safeway, Shaw's and Acme, said higher prices and growth in its pharmacy business pushed identical sales, a metric that strips out store closings and openings, up 5.6% in the three-month period ended Feb. 25.

Gross margin for the Boise, Idaho, company slid again, driven in part by a drop-off in Covid-19 vaccinations at its pharmacy business compared with the winter quarter a year earlier. Margins were further dented by inflated product costs, increased advertising expenses and higher shrink, an industry term for loss in inventory due to theft, spoilage or other factors.

Albertsons said higher picking and delivery costs tied to its growing number of digital sales also ate into margins.

Albertsons posted a quarterly profit of $311.1 million, or 54 cents a share, down from $455.1 million, or 79 cents a share, in the same quarter a year before. Adjusted earnings, which strip out one-time items, topped analyst expectations at 79 cents a share, according to FactSet.

Chief Executive Vivek Sankaran said Tuesday that some headwinds plaguing the retail industry, including inflated costs and increased investments in labor, are expected to continue this year. Revenue from Covid-19 vaccines and at-home test kits also is expected to decline further, he said.

Grocery stores have battled inflated costs over the past year by raising prices, which consumers have been generally willing to pay despite a tightening in overall spending. Grocery prices in the U.S. were up 10.2% in February, according to the latest data from the U.S. Labor Department.

Albertsons, the second-largest U.S. supermarket operator, agreed in October to be bought by rival **Kroger** Co. for about $20 billion.

The grocery giants have said the merger would give them a more national footprint and boost their scale, but the deal has roused concerns from elected officials and union groups over the potential impact on food prices, job security and competition. Executives from the two companies vowed before a Senate subcommittee in November that they would keep prices low and protect workers' jobs if the deal passes.

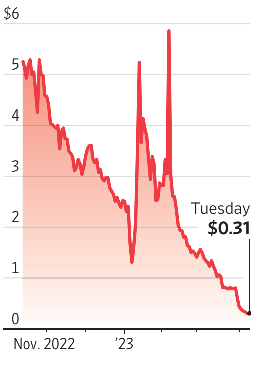
Kroger and Albertsons are expected to sell overlapping stores in their bid for approval from federal antitrust enforcers.

Bed Bath & Beyond Lures Individual Investors

By Alexander Gladstone

Kais Maalej, a 49-year-old Uber driver and amateur investor active on social media, is a proponent of the theory on Reddit forums that distressed retailer **Bed Bath & Beyond** Inc. will soon be acquired by a holding company associated with billionaire Ryan Cohen.

Bed Bath & Beyond's share price over the past six months



Source: FactSet

"I am very confident" that Bed Bath & Beyond will be bought, said Mr. Maalej, who lives in Queens, N.Y. He said that he started purchasing Bed Bath & Beyond shares last year and has been buying up more in recent months. "I'm loaded with shares," he said.

It is this kind of confidence among individual investors that has kept trading volumes in Bed Bath & Beyond stock robust as the company floods the market with hundreds of millions of shares even while warning about a potential bankruptcy.

Over the past couple of months, Bed Bath & Beyond issued more than 300 million shares through a complex equity deal involving hedge fund **Hudson Bay Capital Management** LP, bringing the number of shares to 428 million at the end of March, up from 117 million as of late January. The company is now trying to sell hundreds of millions of additional shares directly into the market in a last-ditch attempt to avoid chapter 11.

The increasingly diluted stock has been dropping lower and lower the more shares the company sells, which means the company needs to sell even more to raise the minimum of $300 million it said it needs from the latest stock-sale effort to stay out of bankruptcy.

The shares closed at 31.4 cents Tuesday and are down more than 90% since January, shortly before the company began raising capital through the deal with Hudson Bay.

Heavy trading volumes in Bed Bath & Beyond's stock, with at least 100 million shares changing hands each day over the past week, are largely due to individual investors' interest in the well-known consumer chain, propelled in part by various investment theories espoused on social media.

As of April 3, Bed Bath & Beyond had 260 million shares available to sell, which would only net the company about $80 million given the stock's trading price Tuesday. To meet the $300 million equity-raising threshold it says it needs, the company has scheduled a shareholder vote for May 9 to seek approval of a proposal for a reverse stock split that would free up more new shares it can sell.

The retailer's investor base, composed primarily of individual investors, may make it difficult for the company to round up the needed votes, investors and analysts said. In general, it is harder to round up votes from a widely dispersed crowd of retail investors than from a smaller group of institutional firms, they said.

"While there continues to be speculation around our story, our choices have been to improve our liquidity and drive our turnaround," a representative for Bed Bath & Beyond said.

A failure to obtain shareholder approval for the reverse-split proposal will likely force it to file for bankruptcy, the company said recently.

A spokesman for Mr. Cohen declined to comment about the theories being discussed about him on social media.

YouTube TV to Lift Price of NFL Sunday Ticket Package

By Joe Flint

The cost for being a National Football League fanatic is going up.

YouTube TV unveiled its pricing plans for the Sunday Ticket package of NFL games that it acquired the rights to last year, and prices are higher than what previous rights holder satellite broadcaster DirecTV charged.

The full season of Sunday Ticket will retail for $349 for people who subscribe to YouTube TV's base video-service package, which includes major broadcast and cable networks and costs $72.99 a month. Consumers who want Sunday Ticket but don't want to subscribe to YouTube TV's other offerings will pay $449.

Last season, DirecTV charged around $300 annually to its subscribers who had signed up for the service's basic package of channels, which retails at $64.99 a month. Subscribing to just Sunday Ticket wasn't an option.

Subscribers to Sunday Ticket get access to all Sunday afternoon games for out-of-market teams. DirecTV had about 1.5 million subscribers last season, The Wall Street Journal has reported.

YouTube's rights deal for Sunday Ticket is around $2 billion a year and runs seven years, the Journal previously reported.

DirecTV, which didn't bid to keep the package, had been paying $1.5 billion annually. YouTube is a division of **Alphabet** Inc.'s Google.

While its price is higher than what DirecTV was charging, Christian Oestlien, YouTube's vice president of product management, noted that unlike DirecTV, YouTube TV doesn't require a contract—which means customers can sign up for the service and then unsubscribe without any penalties.

Most Sunday Ticket customers used to have a satellite dish put on their roof to receive it from DirecTV.

"There are no contracts or hidden fees," Mr. Oestlien said.

Like DirecTV, YouTube will also offer a package of Sunday Ticket and the RedZone channel, a network that carries live action from all the Sunday afternoon games simultaneously. Unlike DirecTV, which operated its own RedZone channel, YouTube will carry the NFL's version of the channel.

That package will cost $389 annually for YouTube TV subscribers and $489 for nonsubscribers.

DirecTV charged around $400 for its package of the two channels.

YouTube said it would offer a $100 discount to people signing up for Sunday Ticket before June 6, months before the NFL season starts.

In Memoriam

Robert E. Weissman

1940 – 2023

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Our heartfelt condolences to his loving family

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Coldwell Banker Commercial

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Dr. Matthew M. Willis
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Advanced Functional Med.

Singchou Wu, PhD
Partner
S J Maint. & Construction

South Korea Fines Google for App Tactics

U.S. tech giant denies abusing dominance of mobile-app market to suffocate competition

By Jiyoung Sohn

SEOUL—South Korea fined **Alphabet** Inc.'s Google the equivalent of about $32 million for abusing its global market dominance to thwart a local rival, in the latest regulatory challenge to the U.S. technology giant's control over the mobile-app ecosystem.

Google's tactics to block the growth of rival app marketplace **One Store** Co. amounted to anticompetitive practices, South Korea's Fair Trade Commission said Tuesday. Game companies were induced to release their apps exclusively onto the Google Play store in exchange for favorable promotion on the platform and support for launching their products overseas, the regulator said.

Google Play was a dominant gatekeeper that exercised significant power over app developers, the regulator said.

Being featured on the main screen of the Google Play app store was considered critical to the success and global expansion of South Korean mobile game apps, making them vulnerable to actions by Google.

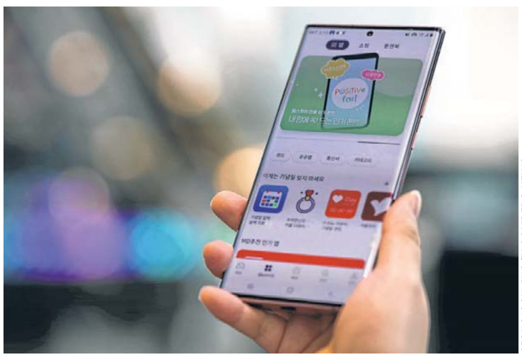
The South Korean FTC said Google made conditional offers to game app makers that effectively pushed out One Store, which was launched in June 2016.

In the following two years, Google's share of South Korea's mobile app market rose from 80% to 90%, predominantly at the expense of One Store.

The lack of new big game offerings meant One Store's sales recorded negative growth in 2017 and 2018, the FTC said.

Google's practices continued until April 2018, when the South Korean FTC began an investigation, according to the regulator.

Google believes "there has been no violation of the law," a company spokeswoman said. "Google makes substantial investments in the success of developers, and we respectfully disagree with the KFTC's conclusions," she said.



SEONGJOON CHO/BLOOMBERG NEWS

South Korea's Fair Trade Commission said Google's tactics to block One Store Co.'s growth amounted to anticompetitive practices.

The U.S. tech giant plans to carefully review the South Korean FTC's final written decision once it is shared to evaluate its next course of action, according to the spokeswoman.

The South Korean ruling is the latest in a string of regulatory actions around the world that scrutinize the dominance of Google and **Apple** Inc. over the mobile-app ecosystem and their potential breach of antitrust regulations.

In the U.S., the Justice Department is stepping up its investigation into whether Apple has monopoly power, including the company's policies governing mobile third-party software on its devices and whether Apple's mobile operating system, iOS, operates in an anticompetitive way.

Across Europe, Apple is preparing to let applications be downloaded onto iPhones and iPads outside its App Store in response to a new European Union law aimed at creating more competition for the tech sector.

Germany's competition regulator said earlier this year that Google should provide its users with more control over the extent to which their data is combined from various services.

One Store is a local mobile-app marketplace created by South Korea's three telecommunication firms—**SK Telecom** Co., **KT** Corp. and **LG Uplus** Corp.—and internet company **Naver** Corp.

As part of its ruling, the South Korean antitrust regulator disclosed internal communication records of Google employees that purported to show the U.S. company perceived One Store as a threat to its business in South Korea. Several memos, documents and emails revealed that Google pushed on with a strategy to thwart One Store, despite being aware that its practices could breach local antitrust laws.

The app makers affected by Google's move included large South Korean game companies including **Netmarble** Corp., **NCsoft** Corp. and **Nexon** Co., as well as smaller mobile app developers from South Korea and China, according to the South Korean FTC.

In addition to the fine, the South Korean FTC ordered Google LLC, Google Korea and Google Asia Pacific to correct its practices and to create an internal monitoring system to ensure that similar practices don't recur and to report the results to the regulator.

Google has faced prior legal scrutiny over its practices in South Korea. Google has filed a lawsuit seeking to nullify the South Korean FTC's 2021 fine of around $177 million for obstructing other companies from developing rival versions of the Android operating system.

The same year, South Korea enacted the world's first law mandating Google and Apple to open up their app stores to alternative payment systems.

Last year, South Korea's Personal Information Protection Commission fined Google and Facebook parent **Meta Platforms** a total of more than $70 million over alleged digital-privacy violations including collecting and using personal information without users' consent.

Last month, the two U.S. companies appealed the ruling.

Spyware Company Said to Have Helped Hack iPhones

By Dustin Volz And Robert McMillan

Hacking tools sold by a little-known Israeli vendor have been used to break into the iPhones of journalists and political opposition figures by silently exploiting **Apple** Inc.'s iPhone software, cybersecurity researchers said.

The intrusions are linked to **QuaDream** Ltd., which markets spyware under the name "Reign," according to new research published Tuesday by Citizen Lab, a research group at the University of Toronto, and **Microsoft** Corp.

Spyware makers have operated largely under the radar for years, but U.S. authorities and tech companies have become increasingly concerned about the misuse of their hacking tools. In particular, another Israeli company, **NSO Group**, has attracted scrutiny, with investigators saying its software has been deployed to attack U.S. officials as well as journalists, activists and politicians worldwide. In 2021, Microsoft linked the Israeli company **Candiru** to attacks on more than 100 victims, including politicians, human-rights activists and journalists.

"The explosive growth of private 'cyber mercenary' companies poses a threat to democracy and human rights around the world," said Amy Hogan-Burney, the general manager of Microsoft's Cybersecurity Policy & Protection.

QuaDream is the latest spyware company to face questions about its software and how it is used. The company's software essentially granted assailants full surveillance capabilities over a user's device, including the ability to record phone calls, capture photos and read messages, said Bill Marczak, a researcher with Citizen Lab. QuaDream's software was as sophisticated as NSO Group's and took pains to obscure its fingerprints in computer code deployed on infected devices, Mr. Marczak said.

Law-enforcement agencies say there are legitimate uses for spyware products—to conduct surveillance of criminal or terrorist organizations, for example—but the Biden administration recently took steps to ensure that they aren't used without proper oversight and legal authorization.

The NSO Group has previously said its software is used only lawfully and is licensed to government intelligence and law enforcement for investigations. An NSO spokesman declined to comment for this article.

Representatives for QuaDream and Candiru didn't respond to requests to comment.

Although Citizen Lab was unable to obtain the software used to attack the iPhone, they said they were able to draw some conclusions by examining the digital evidence left on at least five previously hacked phones along with two samples of the spyware provided by Microsoft. Mr. Marczak and other researchers determined the attack compromised phones running versions of Apple's iOS 14 iPhone operating system, which was state-of-the-art between 2020 and 2021, and appeared to be connected with calendar invitations sent to the victims.

Citizen Lab's analysis found that the attack worked without requiring any user interaction—what is known as a zero-click attack—meaning that victims would be defenseless against it. "There's nothing the victim has to do" to be infected, Mr. Marczak said. The research group didn't provide the identities of suspected victims.

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SUPREME COURT, NEW YORK COUNTY: CGCMT 2013-GC15 Sixth Avenue, LLC v. Sixth Ave Retail LLC et al., Index No. 160040/2019. Pursuant to judgment of foreclosure and sale entered 12/16/2022, I will sell at auction to the highest bidder at the Portico of the New York County Supreme Court, 60 Centre Street, New York, New York 10007, on Wednesday, May 3, 2023 at 2:15 p.m., premises known as **735 SIXTH AVENUE, NEW YORK, NY 10010,** designated on the County land map as **BLOCK 800, LOT 1301** (deed recorded 8/28/2013 in the Office of the City Register as CRFN #2013000346568), and more particularly described in the judgment of foreclosure and sale. Sold subject to all terms and conditions in said judgment and terms of sale. Approximate amount of judgment $47.4 million plus interest and costs.

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JEFF CHIU/ASSOCIATED PRESS

Elizabeth Holmes had asked to remain free as she appeals her conviction for fraud and conspiracy.

Theranos Founder's Request To Stay Out of Prison Is Denied

By Meghan Bobrowsky

The federal judge who oversaw the criminal-fraud trial of Theranos Inc. founder Elizabeth Holmes denied her request to stay out of prison while she appeals her guilty verdict.

U.S. District Judge Edward Davila said in a court filing late Monday that he denied Ms. Holmes's request because he didn't think her arguments for reversing her conviction or getting a new trial raise issues significant enough to merit a different outcome.

Ms. Holmes was found guilty on three counts of fraud and one count of conspiracy to commit fraud against Theranos investors in January 2022. Judge Davila sentenced her in November to more than 11 years in prison and ordered her to surrender to prison April 27.

The court recommended that she serve her time at a federal prison camp in Bryan, Texas, that allows for family visitation, which it said "enhances rehabilitation."

Ms. Holmes, the disgraced founder and chief executive of the blood-testing startup, is appealing the guilty verdict and asked to stay out of prison while her case winds its way through that process.

She now could take her request directly to the Ninth U.S. Circuit Court of Appeals, which denied Ramesh Ramesh "Sunny" Balwani's request to stay out of prison while he appeals his conviction for defrauding Theranos investors and patients.

Judge Davila's decision comes after arguments in a hearing last month from the government and a lawyer for Ms. Holmes about whether she should be allowed to stay out of prison pending appeal. Much of the conversation centered on whether she was a flight risk—Ms. Holmes previously had a one-way plane ticket to Mexico scheduled to depart a few weeks after the jury reached its verdict, court filings show.

Judge Davila said he didn't think Ms. Holmes, who recently gave birth to a second child, had been attempting to flee the country but that still wasn't enough to allow her to stay out.

In her filing appealing the guilty verdict, Ms. Holmes challenged several of Judge Davila's rulings on whether Theranos's technology was accurate and reliable, among other things.

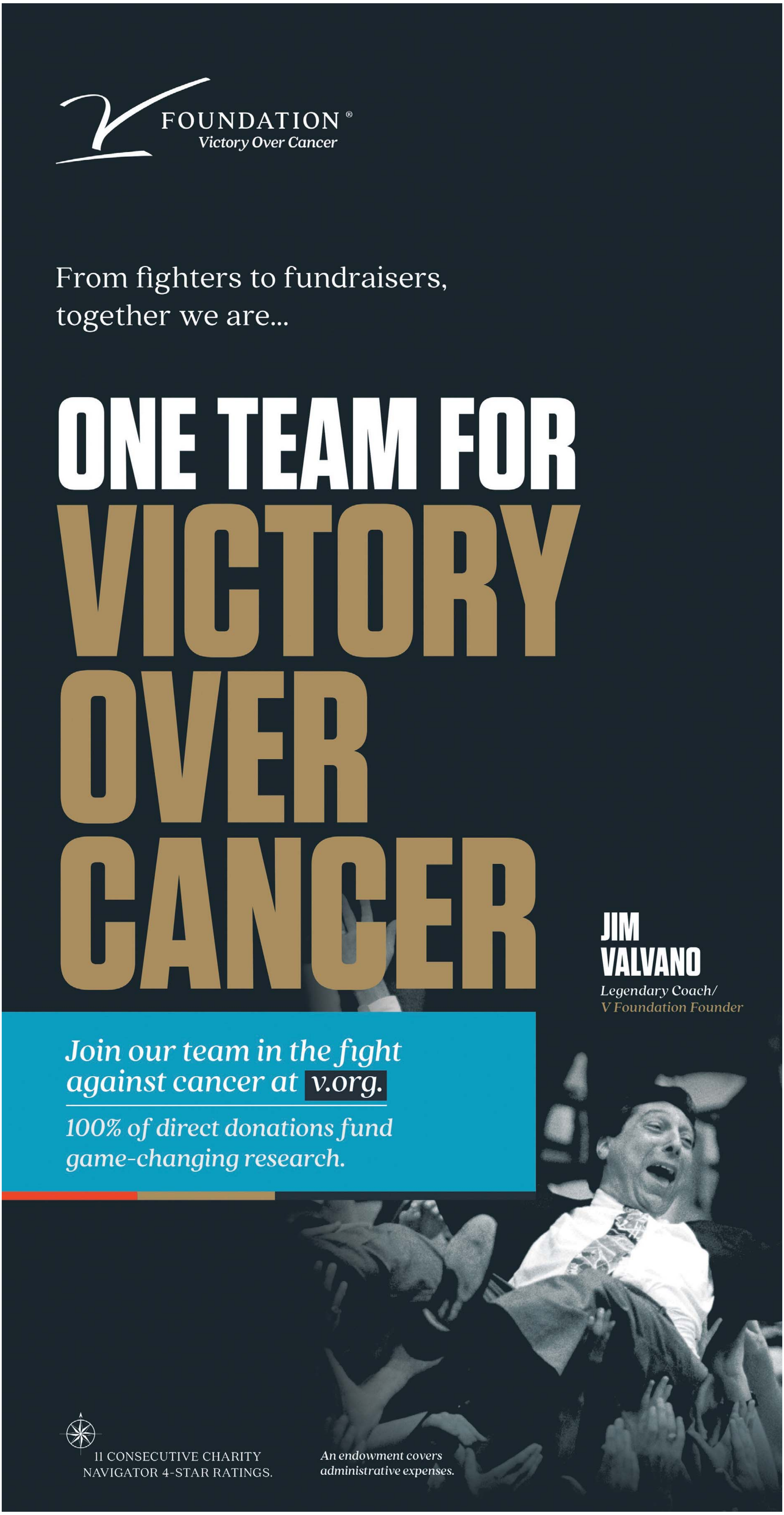
Judge Davila said in his decision Monday that even if the Ninth Circuit were to side with her on the issue of the rulings, that still likely wouldn't be grounds for a reversal of the conviction or a new trial because that amounted to only one aspect of the case. Judge Davila previously denied Ms. Holmes's requests for a new trial.

"The mere fact that a purported error touched upon the accuracy or reliability of Theranos technology is not likely to support a finding that the jury's verdict was materially affected, especially where the government had presented evidence of other misrepresentations unrelated to Theranos's accuracy and reliability," he wrote.

Ms. Holmes also challenged other rulings that Judge Davila said also weren't likely to add up to grounds for a new trial.

A lawyer for Ms. Holmes didn't respond to a request for comment.

Judge Davila recently also denied Mr. Balwani's bid to stay out of prison pending appeal. Mr. Balwani, Theranos's president and chief operating officer who oversaw the lab, was convicted of wire fraud and conspiracy to commit wire fraud against Theranos patients and investors and sentenced to nearly 13 years in prison.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THE PROPERTY REPORT

Multifamily Sector Gets Hit by Rates

An investor lost 3,200 units to foreclosure as financing conditions tighten and values fall

By Will Parker And Konrad Putzier

An apartment-building investor lost four Houston complexes to foreclosure last week, the latest sign that surging interest rates are beginning to upend the multitrillion-dollar rental-housing market.

Applesway Investment Group borrowed nearly $230 million to buy the buildings with more than 3,200 units as part of a Texas buying spree during the pandemic. **Arbor Realty Trust**, a publicly traded mortgage company, foreclosed on the properties after Applesway defaulted on the loans, according to public documents filed in Harris County, Texas.

New York-based investment firm **Fundamental Partners** bought the Houston properties, public records show, for an undisclosed amount.

Turmoil in commercial property markets is starting to spread beyond urban offices and aging shopping malls to rental apartments. The multifamily sector has long been considered a relatively safe investment, especially when home prices rose so much during the pandemic and forced many home shoppers to keep renting.

Landlords have benefited from surging apartment rents and cheap debt in recent years, which pushed property values to records.

Investors paid high prices for the buildings in part because they were betting on a continued rise in rents. They also considered apartments a safer bet during a recession because people always need a place to live.

Now, the recent increase in interest rates has cooled off the apartment sector. Investors who bought properties at the peak of the market in 2021 often financed those deals with floating-rate mortgages. Many of those loans have reset at higher rates.

Real-estate analytics firm Green Street estimates that apartment-building values are down more than 20% from their peak.

Meanwhile, rent growth is slowing, meaning some buildings with sizable, floating-rate mortgages no longer generate enough profits to make debt payments.

Applesway was typical of commercial-property investors that saw big profits in the prospect of acquiring moderately priced buildings and raising rents after making certain improvements.

Chief Executive Jay Gajavelli said in a video posted online that he could double his investors' money by sprucing up a lower-income apartment complex located outside central Houston, with a plan to raise rents and charge tenants extra fees for amenities.

"The property value will go up down the road," he said.

Most of Applesway's loans originated in the second half of 2021, just before the Federal Reserve began its campaign to raise interest rates. At one property, the interest rate on Applesway's loan had risen from 3.4% to around 8%, according to loan information obtained from data firm Trepp Inc.

At least two of the properties were financed with about 80% debt, which is considered high leverage in commercial real estate.

Some other large investment firms have had payment issues with floating-rate multifamily loans in recent months. Veritas, a San Francisco private-equity firm, defaulted on a $450 million loan backed by rent-controlled apartment buildings, and **Blackstone Group** is negotiating with its lender over the debt on a portfolio of New York City apartment buildings.

A Blackstone spokeswoman said the debt is nonrecourse, meaning the lender can only pursue the properties attached to that loan.

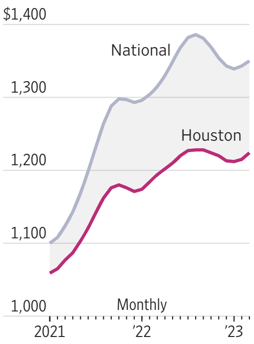
"We are focused on working with our lenders to get the best outcome possible," the spokeswoman said.

Foreclosures such as that of Applesway in Houston are rare, but they could become more common as loans come due and hedging contracts that protect landlords from rising interest rates start to expire.

EAGLEVIEW

The Reserve at Westwood is one of the complexes Applesway Investment Group lost to foreclosure.

Median asking rent



Note: Estimates for new leases
Source: Apartment List

BUSINESS NEWS

GABBY JONES FOR THE WALL STREET JOURNAL

Shares of CVS Health Corp., the owner of health-insurance giant Aetna, have risen 2.7% this month but are still down 18% this year.

Insurer Stocks Add Allure

Continued from page B1

concerns, the Medicare program, known as Medicare Advantage, is a lucrative business line for insurers that is also growing quickly. Possible changes to the program's design had spooked investors, said Emily Evans, health policy analyst at Hedgeye Risk Management.

The federal Medicare program spent about $427 billion on Medicare Advantage in 2022, according to the Kaiser Family Foundation.

UnitedHealth ended 2022 with 7.1 million insured members in the Medicare Advantage program, up 9.5% from a year earlier.

Humana ended the year with 5.1 million members; the insurer said in February that it expects enrollment growth of at least 13.7% this year.

"All those clouds got lifted within the past few days, but they've been pushing the stocks down since late last year," Ms. Evans said.

Politicians and regulators also have scrutinized insurers' pharmacy benefit-manager units. Critics contend the middlemen drive up the cost of prescription drugs for patients.

Investors and analysts said they expect this year's selloff to reverse, in part because of the sector's strong record in topping Wall Street profit and revenue expectations.

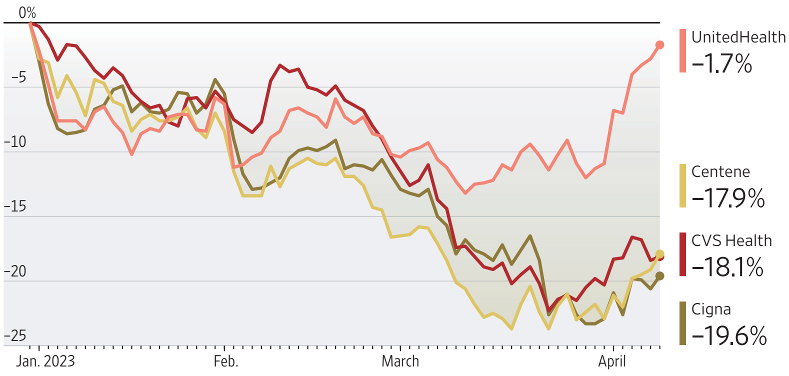
UnitedHealth is expected to report a 12% increase in first-quarter revenue to nearly $90 billion, according to FactSet. The sector's earnings season will continue with **Elevance Health** on April 19.

Low valuations left investors eager to buy back into the sector when presented with a catalyst, said Jared Holz, healthcare sales specialist at Mizuho.

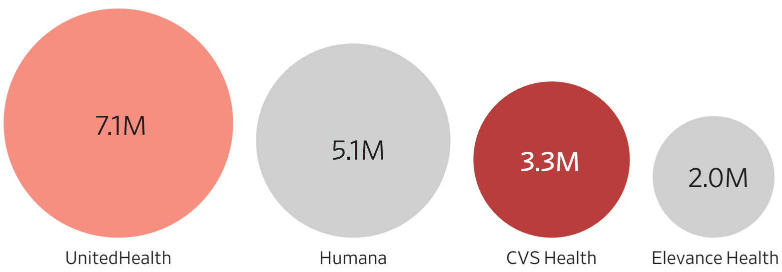
UnitedHealth trades at 25 times its earnings over the past 12 months, down from 30 times in August. At the other extreme, **Cigna Group** trades at 13 times earnings, according to FactSet, down from 19 times in November. The S&P 500 has a multiple of 20.

"You could make the argument that all the risk is already priced in," he said.

Share-price performance, year to date



Medicare Advantage membership as of Dec. 31, 2022.



Sources: FactSet (performance); the companies (membership)

Startup Executives Convicted

Continued from page B1

fices and charging pharmaceutical companies to run drug ads on the devices, which were targeted at patients sitting in the waiting room.

Such advertising wasn't a new business, but Outcome's fast growth attracted a roughly $500 million equity investment in May 2017 at a $5.5 billion valuation from investors including Goldman, Google parent **Alphabet** Inc., Pritzker Group Venture Capital and the investment firm of Laurene Powell Jobs.

Unlike most startup investments, a large amount was earmarked as a dividend for Mr. Shah and Ms. Agarwal: $225 million.

Investors sued the company after the Journal revealed the fraud, and the case was settled when Mr. Shah and Ms. Agarwal agreed to leave their executive roles and give back $159 million of the money they received from the investment.

The company had also raised nearly $500 million in loans, $38 million of which went to Mr. Shah and Ms. Agarwal, according to a pretrial filing from prosecutors.

The government had alleged that Messrs. Shah and Purdy and Ms. Agarwal participated in a joint criminal venture to charge pharmaceutical company clients for running ads on more screens than Outcome had installed in medical offices and to conceal from clients, auditors, lenders and investors the extent to which they didn't deliver the promised ad space.

The government also alleged that the company manipulated third-party reports to inflate the effectiveness of its advertising.

Following the widely publicized prosecution of Theranos Inc. founder Elizabeth Holmes, the Outcome Health trial was another example of the government taking on what prosecutors in the trial called the technology world's "fake-it-till-you-make-it" culture.

"It was a company built on a lie," said prosecutor William Johnston during the government's closing arguments.

The government made the case to the jury that fraud at Outcome predated Mr. Desai's arrival at the company.

Defense lawyers said that before Mr. Desai arrived at the company, Outcome had been experiencing honest and steady growth and that the government failed to prove that executives taught Mr. Desai how to commit fraud at the company.

In video interviews posted online, Mr. Shah and Ms. Agarwal had described how they bootstrapped their business, negotiating upfront payments from advertisers to generate the cash necessary to install the screens where ads would run.

In one 2016 interview, Mr. Shah described the strategy as bringing "from the future what we need to fuel the future in the present, which is a concept we've recycled."

The risk of that strategy, which Mr. Shah described in both a 2012 and 2016 interview, was that Outcome needed to execute with military precision.

"It required you to sell an idea to both" doctors and advertisers, he said in 2016, "and then you couldn't mistime it, because you know, that would be fraud, right? If you sell something that doesn't exist."

ANTONIO PEREZ/CHICAGO TRIBUNE/ZUMA PRESS (2)

Outcome Health's founder and former CEO, Rishi Shah, left, and former president, Shradha Agarwal, were both found guilty.

BUSINESS NEWS

HBO/EVERETT COLLECTION

A scene from the third season of the HBO show. From left: Kieran Culkin, Jeremy Strong, Sarah Snook and Brian Cox.

Real-Life 'Succession' Twists Don't Always Sink Valuations

BY ELLEN GAMERMAN

This article contains spoilers for "Succession" season 4, episode 3.

After the death of Logan Roy, the Machiavellian mogul at the center of HBO's "Succession," his power-hungry children are in shock. Then they remember the stock market. "Can we, uh, keep it up there for an extra beat?" Shiv asks of the private jet bringing her father's body back to land, hoping to buy some time before making a company announcement.

The Roys fear that the loss of their father, the founder of a publicly traded media conglomerate, could hurt the company's share price. Indeed, the price of Waystar Royco drops precipitously after Logan's heirs share the news of his death at a press conference. But corporate precedents and real-world analysts suggest a CEO's death can sometimes have the opposite effect: triggering a frenzy of trading that drives share price upward in the days that follow.

"For family-controlled public companies like the one featured in 'Succession,' most people think the stock will skyrocket once the family owner is rid of and value can be unlocked," said Spencer Burke, a lawyer and adjunct lecturer in family business at the Washington University in St. Louis business school. Mr. Burke parses the series in a regular Zoom meeting that he and more than a dozen other lawyers from different disciplines call the "Waystar Royco School of Law," a lark for lawyerly superfans of "Succession."

Stock prices rise nearly half the time when a CEO dies unexpectedly, according to a study of 240 U.S. public companies from 1950 to 2009 by the University of Notre Dame and the University of Georgia. Not surprisingly, share prices surge when a corporate leader seen as ineffective dies, and drop when a CEO seen as successful dies, according to the 2016 research, a result co-author Craig Crossland called "somewhat macabre."

The day after Steve Jobs died in 2011, following a public battle with pancreatic cancer, Apple stock showed some volatility, with slight gains and losses. But analysts expressed confidence that the company would continue to drive growth under its new chief executive, Tim Cook, who took over from Mr. Jobs a few months earlier. It did.

At Berkshire Hathaway's 2017 annual meeting in Omaha, Neb., Warren Buffett said, "If I died tonight, I think the stock would go up tomorrow and there'd be speculation about breakups and all that sort of thing."

The Waystar Royco selloff in Sunday night's episode is not altogether unrealistic. "The initial reaction is very negative if the next in line family member is viewed as unprepared—as would be the case with any of the Roy kids," Mr. Burke said. "'Look out below' would be the situation."

As the Roy children struggle to accept the fact of Logan's death, the stock price is in some ways more real than their father's corpse, which most of the kids decide not to see. Roman opens his phone to a stock chart showing a steep drop in Waystar Royco share prices. "That," he says, "is Dad."

In the world of the show, where despite more than three seasons no firm succession plan has yet been worked out, Logan's death creates not business headaches, but turn-out-the-lights, get-into-bed-level migraines.

"This is going to throw everything into complete disarray," said Diane Kemker, a visiting law professor at DePaul University College of Law.

Logan's three children from his second marriage did not manage to take over Waystar Royco when their father was alive—Logan's child from his first marriage, Connor, is a nonstarter in this regard—and now their fate rests in the hands of the board that Logan once controlled.

Kendall's bid to run the company failed in season one, and Roman and Shiv have no real business experience, making interim CEO Gerri Kellman the only person whose appointment to the top job seemingly wouldn't roil markets, Ms. Kemker said.

It's not just fictional companies that lack a formal succession lineup in the event of a CEO's sudden death.

"What's scary is that a lot of them don't have a plan for it," said Kimberly Eddleston, a professor of entrepreneurship who uses "Succession" in her Northeastern University course on family business. "They haven't groomed anybody, and the whole advantage of a family business is the ability to get a successor ready. You'd think it would be rare, but it's not."

Curbs on Mineral Exports Weigh on Energy Transition

BY YUSUF KHAN

Rising export restrictions on lithium, cobalt and other raw materials critical to the energy transition threaten to slow the move to a greener economy, according to the Organization for Economic Cooperation and Development.

In a new report, the OECD said that over the past decade, export restrictions on critical minerals—usually in the form of taxes—have increased more than fivefold. From January 2009 to December 2020, the total number of export controls on industrial raw materials surged to 18,263 from 3,337. Now roughly 10% of the global value of critical raw material exports face at least one export restriction measure.

"Overall, the research so far suggests that export restrictions may be playing a nontrivial role in international markets for critical raw materials, affecting availability and prices of these materials," the report said.

The OECD also highlighted in the report that many minerals crucial to the energy transition are concentrated in relatively few countries, giving the examples of Congo's dominance over cobalt reserves and China's near-monopoly of magnesium production.

China, India, Vietnam, Russia, Argentina and Kazakhstan were the top six countries introducing new restrictions between 2009 and 2020, according to the OECD.

These countries hold some of the largest reserves of critical raw materials and account for a significant share of their global production.

China is not only a dominant player in the production of magnesium, but also in manganese, while Vietnam and Argentina are at the forefront in mining of rare earths and lithium, respectively.

The findings come as global demand for minerals such as lithium, graphite and nickel is expected to soar over the coming decades in an effort to reach net zero.

For example, to meet the goals of the Paris Agreement treaty on climate change, the OECD expects demand for lithium to increase 42 times current levels by 2040, while graphite is predicted to see a 25-fold increase.

In recent years, major importers such as the U.S. and the European Union have stepped up efforts to cut export restrictions while also diversifying the supply of critical materials.

Policies such as the Inflation Reduction Act and the EU's Critical Raw Materials Act seek to encourage development of alternate supplies locally and in friendly markets, remove some trade barriers and create targeted trade agreements with friendly countries.

Last month the U.S. and Japan signed a bilateral agreement to diversify critical minerals supply chains and promote the adoption of electric vehicle battery technologies.

The value of trade in critical raw materials rose by 38% in the decade between 2007-2009 and 2017-2019 compared with a 31% rise over the same period for all products. Lithium, which is crucial in electric-vehicle batteries, saw the largest jump with a 438% increase in trade.

CFOTO/DDP/ZUMA PRESS

The OECD says many resources are concentrated in few countries.

More Oil Mergers Expected

Continued from page B1

analyst at Truist Securities.

Thirst for growth led to a mergers-and-acquisitions boom in U.S. shale in the past decade. Between 2014 and 2019, the sector saw an average of 407 deals—not restricted to M&A—each year, with a total annual value averaging about $90 billion, according to investment bank Mizuho Securities.

But the pace of M&A slowed down after the pandemic gutted oil demand and stung companies' balance sheets. Drillers also tightened their belts to meet investors' demands for cash returns. There were, on average, 180 deals a year between 2020 and 2022 for $59 billion a year, according to Mizuho.

Now, producers have deep coffers at their disposal to pursue deals. Russia's invasion of Ukraine last year sent global prices soaring to more than $127 a barrel, translating into windfall profits for oil and gas.

The 10 largest U.S. publicly traded shale companies as of the end of last year earned more than $70 billion in profits in 2022, according to FactSet. Exxon netted $55.7 billion in profit, while **Chevron** Corp. raked in $35.5 billion.

The next wave of oil dealmaking is likely to be set in the Permian Basin of West Texas and New Mexico, say energy analysts and executives. Oil giants such as Exxon and Chevron favor the region for shale wells that produce rapidly and don't bind the companies to decadeslong megaprojects that have fallen out of favor with some investors who fear a future decline in oil demand.

If an oil company such as Exxon or Chevron snapped up a big Permian company, "that could obviously ignite a speculative boom," said Adam Rozencwajg, a managing partner at investment firm Goehring & Rozencwajg.

Exxon has invested heavily in the Permian over the past decade and continues to call it a key source of growth, alongside its massive oil discoveries in Guyana.

The company produced about 550,000 barrels a day on average last year in the Permian and said it plans to increase its output there to 1 million barrels a day by 2027.

But as the region matures, firms have been wrestling with disappointing wells. The average Permian well produced 5% less oil per lateral foot in 2022 compared with the previous year, according to research firm Enverus. In one part of the Permian, Exxon's 2022-vintage wells were 8.4% less productive than the prior year, according to Enverus data analyzed by JPMorgan Chase.

In addition to less-productive wells, operators are contending with shrinking inventories of drilling locations. Public companies and private operators in the Permian have less than eight years of their best locations remaining, investment bank Raymond James Financial estimated last year.

The double whammy creates incentives for companies to merge to gain new drilling opportunities and create economies of scale, executives and investors said.

Also whetting producers' appetite for deals is inflation, which has blunted companies' deployment of capital. The price of labor, steel and equipment has shot up, prompting companies to increase their spending by about 20% this year from 2022 without reaping additional barrels.

Nabbing a competitor allows drillers to augment production while keeping costs in check, said Muhammad Laghari, a senior managing director at investment bank Guggenheim Securities.

"M&A is probably right now, in this inflationary environment, the most cost-efficient way to increase your cash flow per share," he said.

While oil-price volatility in recent months complicated deals, the U.S. oil benchmark has dropped roughly $43 from its peak last June and is now in the $70 to $80 range, which supports negotiations between sellers and buyers, analysts said.

KATHLEEN FLYNN/REUTERS

The pace of M&A deals slowed down after the pandemic gutted crude demand and stung companies' balance sheets.

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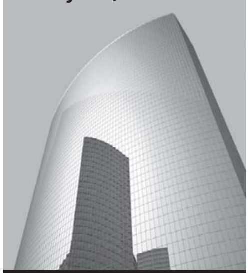

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COMMODITIES

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Futures Contracts

Metal & Petroleum Futures

	Open	High	Contract hi lo	Low	Settle	Chg	Open interest
Copper-High (CMX)-25,000 lbs.; $ per lb.							
April	4.0410	4.0410		4.0380	**4.0245**	0.0380	2,883
May	3.9870	4.0540		3.9780	**4.0195**	0.0430	100,718
Gold (CMX)-100 troy oz.; $ per troy oz.							
April	1991.40	2006.60		1991.40	**2004.80**	15.70	1,166
May	1996.70	2013.40		1996.10	**2010.00**	15.20	1,977
June	2007.00	2022.50		2003.70	**2019.00**	15.20	402,155
Aug	2025.00	2040.40		2022.10	**2037.30**	15.50	31,534
Oct	2043.30	2057.40		2041.20	**2055.40**	15.90	9,775
Dec	2059.60	2076.10		2057.00	**2073.30**	16.50	23,254
Palladium (NYM) - 50 troy oz.; $ per troy oz.							
April	...	...		...	**1440.30**	36.00	1
June	1413.50	1459.50		1413.50	**1443.60**	36.00	11,551
Platinum (NYM)-50 troy oz.; $ per troy oz.							
April	996.50	998.00		996.50	**995.60**	2.50	8
July	1003.50	1018.60		1000.60	**1005.10**	2.20	56,552
Silver (CMX)-5,000 troy oz.; $ per troy oz.							
April	24.960	25.160	▲	24.960	**25.131**	0.285	27
May	25.015	25.275		24.970	**25.186**	0.274	89,809
Crude Oil, Light Sweet (NYM)-1,000 bbls.; $ per bbl.							
May	79.88	81.59		79.37	**81.53**	1.79	236,614
June	79.87	81.55		79.40	**81.49**	1.72	300,461
July	79.57	81.20		79.10	**81.14**	1.68	254,065
Sept	78.71	79.92		77.95	**79.88**	1.61	154,543
Dec	76.42	77.76		76.02	**77.73**	1.46	207,510
Dec'24	70.80	71.84		70.54	**71.65**	1.01	87,090
NY Harbor ULSD (NYM)-42,000 gal.; $ per gal.							
May	2.6825	2.7057		2.6275	**2.6682**	–.0132	76,136
June	2.6282	2.6492		2.5796	**2.6230**	–.0057	55,766
Gasoline-NY RBOB (NYM)-42,000 gal.; $ per gal.							
May	2.8125	2.8682	▲	2.7840	**2.8652**	.0573	107,977
June	2.7553	2.8034	▲	2.7257	**2.8010**	.0547	74,986
Natural Gas (NYM)-10,000 MMBtu.; $ per MMBtu.							
May	2.182	2.247		2.126	**2.186**	.014	328,383
June	2.372	2.420		2.306	**2.351**	–.010	102,947
July	2.609	2.658		2.548	**2.571**	–.030	180,132
Sept	2.633	2.684		2.580	**2.606**	–.024	116,502
Oct	2.723	2.773		2.663	**2.694**	–.023	108,503
Jan'24	3.805	3.858		3.749	**3.775**	–.031	76,604

Agriculture Futures

	Open	High	Contract hi lo	Low	Settle	Chg	Open interest
Corn (CBT)-5,000 bu.; cents per bu.							
May	653.50	657.75		646.75	**651.00**	–3.00	373,931
July	630.50	634.00		623.75	**627.75**	–2.75	400,313
Oats (CBT)-5,000 bu.; cents per bu.							
May	341.50	343.75		339.00	**340.25**	–.25	2,296
July	340.50	340.75		334.25	**335.75**	–3.75	1,445
Soybeans (CBT)-5,000 bu.; cents per bu.							
May	1487.75	1507.50		1486.25	**1497.25**	10.00	220,764
July	1461.75	1480.00		1460.25	**1471.25**	9.50	220,542
Soybean Meal (CBT)-100 tons; $ per ton.							
May	451.60	459.70		451.30	**457.80**	7.10	122,752
July	449.10	456.70		448.70	**455.00**	6.90	140,795
Soybean Oil (CBT)-60,000 lbs.; cents per lb.							
May	54.48	55.45		54.29	**54.89**	.41	119,428
July	54.72	55.66		54.56	**55.01**	.28	147,973
Rough Rice (CBT)-2,000 cwt.; $ per cwt.							
May	16.42	17.16		16.31	**16.96**	.54	3,791
Sept	14.56	15.18		14.56	**15.10**	.52	2,922
Wheat (CBT)-5,000 bu.; cents per bu.							
May	680.25	686.00		666.25	**674.00**	–4.50	158,037
July	691.75	698.00		677.25	**684.00**	–6.75	125,527
Wheat (KC)-5,000 bu.; cents per bu.							
May	878.75	886.00		864.25	**868.25**	–7.75	59,661
July	860.75	867.25		846.75	**850.00**	–8.25	64,029
Cattle-Feeder (CME)-50,000 lbs.; cents per lb.							
April	200.800	202.200		200.300	**202.100**	1.175	5,525
May	205.625	207.950	▲	205.250	**207.825**	2.200	22,589
Cattle-Live (CME)-40,000 lbs.; cents per lb.							
April	171.825	172.475	▲	171.450	**172.300**	.925	13,895
June	164.000	164.525	▲	163.425	**163.950**	.250	146,777
Hogs-Lean (CME)-40,000 lbs.; cents per lb.							
April	73.000	73.300		72.850	**73.050**	–.325	19,746
June	88.625	89.325		87.325	**87.850**	–1.300	95,114
Lumber (CME)-110,000 bd. ft., $ per 1,000 bd. ft.							
May	384.70	386.00		379.20	**385.20**	2.50	2,090
Milk (CME)-200,000 lbs., cents per lb.							
April	18.69	18.69		18.59	**18.62**	–.04	3,988
May	17.77	17.99		17.69	**17.91**	.14	4,924
Cocoa (ICE-US)-10 metric tons; $ per ton.							
May	2,923	2,994	▲	2,920	**2,985**	63	74,054
July	2,863	2,910		2,852	**2,903**	42	136,874
Coffee (ICE-US)-37,500 lbs.; cents per lb.							
May	183.45	191.20		183.00	**190.50**	7.90	47,962
July	181.10	189.05		180.95	**188.45**	7.75	58,949
Sugar-World (ICE-US)-112,000 lbs.; cents per lb.							
May	23.73	24.45	▲	23.62	**24.37**	.81	245,742
July	23.15	23.78	▲	23.09	**23.68**	.61	350,027
Sugar-Domestic (ICE-US)-112,000 lbs.; cents per lb.							
July	...	...		...	**39.50**	...	1,373
March'24	38.85	39.00	▲	38.85	**39.01**	.21	1,765
Cotton (ICE-US)-50,000 lbs.; cents per lb.							
May	82.33	83.07		81.90	**82.75**	.30	60,962
July	82.56	83.24		82.12	**82.91**	.18	59,345
Orange Juice (ICE-US)-15,000 lbs.; cents per lb.							
May	279.50	287.50	▲	276.10	**284.90**	7.40	6,572
July	264.05	272.55	▲	262.25	**268.75**	6.20	2,689

Interest Rate Futures

	Open	High	Contract hi lo	Low	Settle	Chg	Open interest
Ultra Treasury Bonds (CBT) - $100,000; pts 32nds of 100%							
June	142-210	143-150		142-050	**142-230**	2.0	1,412,853
Sept		143-150		142-230	**143-030**	9.0	2
Treasury Bonds (CBT)-$100,000; pts 32nds of 100%							
June	132-180	133-000		132-010	**132-120**	–6.0	1,186,889
Sept	132-110	133-000		132-100	**132-160**	–4.0	79
Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
June	115-155	115-250		115-065	**115-120**	–4.5	4,264,824
Sept	116-095	116-160		116-000	**116-040**	–4.0	3,920
5 Yr. Treasury Notes (CBT)-$100,000; pts 32nds of 100%							
June	109-292	110-040		109-210	**109-245**	–5.5	4,461,202
2 Yr. Treasury Notes (CBT)-$200,000; pts 32nds of 100%							
June	103-100	103-135		103-057	**103-076**	–2.9	2,498,910
30 Day Federal Funds (CBT)-$5,000,000; 100 - daily avg.							
April	95.1725	95.1750		95.1725	**95.1725**	...	464,372
May	95.0050	95.0200		95.0000	**95.0100**	.0050	336,425
10 Yr. Del. Int. Rate Swaps (CBT)-$100,000; pts 32nds of 100%							
June	...	99-030		98-185	**98-250**	–3.0	9,193
Three-Month SOFR (CME)-$1,000,000; 100 - daily avg.							
Jan	...	...	▲	...	**95.3875**	.0025	30,466
June	95.0250	95.0500		95.0050	**95.0250**	.0050	1,635,537
Eurodollar (CME)-$1,000,000; pts of 100%							
April	94.7525	94.7725		94.7450	**94.7525**	–.0025	144,243
June	94.7050	94.7200		94.6700	**94.6850**	–.0050	571,241
Sept	95.0500	95.0800		95.0100	**95.0450**	...	599,636
Dec	95.4250	95.4700		95.3600	**95.4050**	–.0100	552,973

Currency Futures

	Open	High	Contract hi lo	Low	Settle	Chg	Open interest
Japanese Yen (CME)-¥12,500,000; $ per 100¥							
April	.7494	.7527		.7480	**.7482**	–.0009	887
June	.7560	.7597		.7550	**.7552**	–.0009	170,911
Canadian Dollar (CME)-CAD 100,000; $ per CAD							
April	.7404	.7429		.7400	**.7426**	.0024	412
June	.7411	.7437		.7407	**.7434**	.0023	158,796
British Pound (CME)-£62,500; $ per £							
April	1.2432	1.2457		1.2419	**1.2423**	.0040	2,531
June	1.2402	1.2476		1.2402	**1.2440**	.0040	211,646
Swiss Franc (CME)-CHF 125,000; $ per CHF							
June	1.1078	1.1161		1.1078	**1.1155**	.0079	37,919
Sept	1.1241	1.1260		1.1241	**1.1259**	.0076	370
Australian Dollar (CME)-AUD 100,000; $ per AUD							
April	.6670	.6682		.6645	**.6653**	.0011	491
June	.6660	.6699		.6659	**.6670**	.0011	155,884
Mexican Peso (CME)-MXN 500,000; $ per MXN							
April	.05486	.05508		.05486	**.05495**	–.00009	20
June	.05431	.05449		.05413	**.05429**	–.00008	259,099
Euro (CME)-€125,000; $ per €							
April	1.0870	1.0932		1.0870	**1.0911**	.0048	1,964
June	1.0908	1.0971		1.0903	**1.0950**	.0048	741,838

Index Futures

	Open	High	Contract hi lo	Low	Settle	Chg	Open interest
Mini DJ Industrial Average (CBT)-$5 x index							
June	33766	33953		33730	**33852**	101	87,948
Sept	34019	34210		33979	**34114**	109	456
Mini S&P 500 (CME)-$50 x index							
June	4138.50	4151.75		4128.75	**4136.50**	0.25	2,234,394
Sept	4175.75	4188.25		4166.00	**4173.25**	0.25	12,296
Mini S&P Midcap 400 (CME)-$100 x index							
June	2496.50	2525.60		2491.90	**2515.10**	21.70	39,450
Sept	...	2525.50		2508.80	**2530.80**	22.10	...
Mini Nasdaq 100 (CME)-$20 x index							
June	13163.25	13208.75		13053.50	**13074.75**	–83.25	235,432
Sept	13312.00	13347.00		13198.00	**13217.50**	–83.50	2,965
Mini Russell 2000 (CME)-$50 x index							
June	1787.80	1807.20		1785.20	**1798.30**	12.70	486,738
Sept	1804.50	1822.30		1801.60	**1814.20**	13.00	3,118
Mini Russell 1000 (CME)-$50 x index							
June	2266.60	2274.20		2261.80	**2265.60**	1.10	7,668
U.S. Dollar Index (ICE-US)-$1,000 x index							
June	102.17	102.19		101.70	**101.88**	–.36	33,037
Sept	101.84	101.84		101.42	**101.62**	–.37	584

Source: FactSet

Exchange-Traded Portfolios | WSJ.com/ETFresearch

Largest 100 exchange-traded funds, latest session

Tuesday, April 11, 2023

ETF	Symbol	Closing Price	Chg (%)	YTD (%)
CnsmrDiscSelSector	XLY	145.80	0.16	12.9
CnsStapleSelSector	XLP	75.58	0.29	1.4
DimenUSCoreEq2	DFAC	25.45	0.39	4.8
EnSelSectorSPDR	XLE	86.47	0.95	–1.1
FinSelSectorSPDR	XLF	32.34	0.87	–5.4
HealthCareSelSect	XLV	133.88	0.34	–1.5
IndSelSectorSPDR	XLI	99.25	0.60	1.1
InvscQQQI	QQQ	315.83	–0.64	18.6
InvscS&P500EW	RSP	144.90	0.65	2.6
iShCoreDivGrowth	DGRO	50.41	0.24	0.8
iShCoreMSCIEAFE	IEFA	67.35	0.34	9.3
iShCoreMSCIEM	IEMG	49.20	0.70	5.4
iShCoreMSCITotInt	IXUS	62.47	0.48	7.9
iShCoreS&P500	IVV	411.47	–0.005	7.1
iShCoreS&P MC	IJH	249.03	0.93	3.0
iShCoreS&P SC	IJR	96.03	0.69	1.5
iShCoreS&PTotUS	ITOT	90.42	0.12	6.6
iShCoreTotalUSDBd	IUSB	46.18	0.07	2.8
iShCoreUSAggBd	AGG	99.81	0.06	2.9
iShESGAwareUSA	ESGU	90.26	0.04	6.5
iShEdgeMSCIMinUSA	USMV	73.64	0.25	2.1
iShEdgeMSCIUSAQual	QUAL	124.33	0.19	9.1
iShGoldTr	IAU	37.99	0.58	9.8
iShiBoxx$InvGrCpBd	LQD	109.79	–0.03	4.1
iShJPMUSDEmBd	EMB	85.73	0.11	1.3
iShMBS	MBB	94.90	0.36	2.3
iShMSCIACWI	ACWI	91.50	0.20	7.8
iShMSCI EAFE	EFA	72.13	0.33	9.9
iSh MSCI EM	EEM	39.67	0.61	4.7
iShMSCIEAFEValue	EFV	49.31	0.57	7.5
iShNatlMuniBd	MUB	108.31	0.28	2.6
iSh1-5YIGCorpBd	IGSB	50.51	...	1.4
iSh1-3YTreaBd	SHY	82.05	–0.01	1.1
iShRussMC	IWR	69.65	0.75	3.3
iShRuss1000	IWB	225.05	0.05	6.9
iShRuss1000Grw	IWF	242.14	–0.35	13.0
iShRuss1000Val	IWD	153.66	0.44	1.3
iShRussell2000	IWM	177.14	0.79	1.6
iShS&P500Grw	IVW	63.97	–0.16	9.4
iShS&P500Value	IVE	151.73	0.18	4.6
iShSelectDiv	DVY	119.12	0.67	–1.2
iSh7-10YTreaBd	IEF	99.45	–0.04	3.8
iShShortTreaBd	SHV	110.21	0.02	0.3
iShTIPSBondETF	TIP	110.55	0.17	3.9
iSh20+YTreaBd	TLT	107.00	0.21	7.5
iShUSTreasuryBd	GOVT	23.43	0.02	3.1
JPMEquityPrem	JEPI	54.60	0.28	0.2
JPM UltShIncm	JPST	50.22	–0.02	0.2
ProShUltPrQQQ	TQQQ	26.84	–1.94	55.1
SPDRBbg1-3MTB	BIL	91.56	0.01	0.1
SPDR DJIA Tr	DIA	336.90	0.28	1.7
SPDR Gold	GLD	186.28	0.63	9.8
SPDRPtfDevxUS	SPDW	32.37	0.37	9.0
SPDRS&P500Value	SPYV	40.72	0.20	4.7
SPDRPtfS&P500	SPLG	48.16	–0.02	7.1
SPDRS&P500Growth	SPYG	55.43	–0.13	9.4
SPDR S&P 500	SPY	409.72	0.03	7.1
SchwabIntEquity	SCHF	35.16	0.40	9.2
SchwabUS BrdMkt	SCHB	47.79	0.04	6.7
SchwabUS Div	SCHD	73.54	0.42	–2.6
SchwabUS LC	SCHX	48.35	0.06	7.1
SchwabUS LC Grw	SCHG	64.56	–0.43	16.2
SchwabUS SC	SCHA	41.56	0.73	2.6
SPDR S&PMdCpTr	MDY	456.27	0.92	3.0
SPDR S&P Div	SDY	124.11	0.48	–0.8
TechSelectSector	XLK	147.59	–0.94	18.6
UtilitiesSelSector	XLU	69.73	0.09	–1.1
VanEckGoldMin	GDX	34.58	1.74	20.7
VangdInfoTech	VGT	376.84	–0.74	18.0
VangdSC Val	VBR	158.03	0.91	–0.5
VangdExtMkt	VXF	138.63	0.73	4.3
VangdDivApp	VIG	155.04	0.25	2.1
VangdFTSEAWxUS	VEU	53.90	0.43	7.5
VangdFTSEDevMk	VEA	45.57	0.44	8.6
VangdFTSE EM	VWO	40.70	0.74	4.4
VangdFTSE Europe	VGK	61.81	0.39	11.5
VangdGrowth	VUG	246.10	–0.40	15.5
VangdHlthCr	VHT	245.96	0.38	–0.8
VangdHiDiv	VYM	106.78	0.50	–1.3
VangdIntermBd	BIV	76.86	–0.13	3.4
VangdIntrCorpBd	VCIT	80.26	–0.06	3.5
VangdLC	VV	186.85	0.01	7.3
VangdMC	VO	210.17	0.76	3.1
VangdMC Val	VOE	134.70	0.88	–0.4
VangdMBS	VMBS	46.63	0.32	2.4
VangdRealEst	VNQ	83.12	0.42	0.8
VangdS&P500ETF	VOO	376.41	0.01	7.1
VangdST Bond	BSV	76.42	–0.09	1.5
VangdSTCpBd	VCSH	76.18	–0.05	1.3
VangdShtTmInfltn	VTIP	47.85	0.04	2.4
VangdShortTrea	VGSH	58.43	–0.03	1.1
VangdSC	VB	188.47	0.86	2.7
VangdTaxExemptBd	VTEB	50.92	0.18	2.9
VangdTotalBd	BND	73.97	0.04	3.0
VangdTotIntlBd	BNDX	48.77	–0.12	2.8
VangdTotIntlStk	VXUS	55.67	0.45	7.6
VangdTotalStk	VTI	203.87	0.10	6.6
VangdTotWrldStk	VT	92.31	0.24	7.1
VangdValue	VTV	140.01	0.44	–0.3
WisdTrFRTrea	USFR	50.34	0.02	0.1

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Bonds | wsj.com/market-data/bonds/benchmarks

Tracking Bond Benchmarks

Return on investment and spreads over Treasurys and/or yields paid to investors compared with 52-week highs and lows for different types of bonds

Total return close	YTD total return (%)	Index	Yield (%) Latest	Low	High
Broad Market Bloomberg Fixed Income Indices					
2018.71	3.4	U.S. Aggregate	4.360	3.190	5.210
U.S. Corporate Indexes Bloomberg Fixed Income Indices					
2988.19	4.0	U.S. Corporate	5.120	3.930	6.130
2865.39	2.9	Intermediate	5.050	3.630	6.050
4039.08	6.3	Long term	5.240	4.470	6.370
584.74	4.6	Double-A-rated	4.430	3.440	5.320
793.88	4.1	Triple-B-rated	5.390	4.200	6.440
High Yield Bonds ICE BofA					
481.81	4.0	High Yield Constrained	8.521	6.508	9.623
442.25	5.2	Triple-C-rated	15.137	10.422	16.916
3251.49	4.5	High Yield 100	7.825	6.109	8.753
419.56	3.4	Global High Yield Constrained	8.656	6.617	9.945
317.71	2.8	Europe High Yield Constrained	7.420	4.637	8.508
U.S Agency Bloomberg Fixed Income Indices					
1730.82	2.3	U.S Agency	4.320	2.640	5.080
1528.53	2.1	10-20 years	4.310	2.580	5.100
3392.87	6.3	20-plus years	4.410	3.410	5.240
2622.34	3.4	Yankee	4.870	3.580	5.840
Mortgage-Backed Bloomberg Fixed Income Indices					
1995.03	3.0	Mortgage-Backed	4.490	3.300	5.380
1963.04	3.0	Ginnie Mae (GNMA)	4.550	3.310	5.370
1174.86	3.0	Fannie mae (FNMA)	4.470	3.300	5.390
1796.11	2.8	Freddie Mac (FHLMC)	4.470	3.300	5.370
576.14	3.5	Muni Master	2.835	2.419	3.936
413.12	3.8	7-12 year	2.437	2.325	3.794
462.73	4.5	12-22 year	3.324	2.895	4.428
436.48	5.9	22-plus year	4.038	3.409	5.131
Global Government J.P. Morgan†					
536.93	2.9	Global Government	2.820	1.840	3.250
786.11	2.9	Canada	3.070	2.570	3.780
340.77	2.3	EMU§	3.106	1.405	3.490
632.23	2.0	France	2.950	1.280	3.310
452.24	2.0	Germany	2.350	0.710	2.760
283.07	1.9	Japan	0.830	0.530	1.060
488.79	1.9	Netherlands	2.650	0.930	3.000
801.08	2.4	U.K.	3.690	1.820	4.690
788.69	2.7	Emerging Markets **	7.632	6.331	9.159

*Constrained indexes limit individual issuer concentrations to 2%; the High Yield 100 are the 100 largest bonds † In local currency § Euro-zone bonds

** EMBI Global Index

Sources: ICE Data Services; Bloomberg Fixed Income Indices; J.P.Morgan

Global Government Bonds: Mapping Yields

Yields and spreads over or under U.S. Treasurys on benchmark two-year and 10-year government bonds in selected other countries; arrows indicate whether the yield rose(▲) or fell (▼) in the latest session

Coupon (%)	Country/ Maturity, in years	Yield (%) Latest	Previous	Month ago	Year ago	Spread Under/Over U.S. Treasurys, in basis points Latest	Prev	Year ago
3.875	**U.S.** 2	4.056 ▲	4.004	4.586	2.506			
3.500	10	3.433 ▲	3.414	3.694	2.779			
3.250	**Australia** 2	2.898 ▲	2.845	3.378	2.155	-114.8	-117.1	-34.1
1.750	10	3.233 ▲	3.194	3.595	3.021	-20.4	-22.3	23.9
0.000	**France** 2	2.834 ▲	2.669	3.189	0.170	-121.2	-134.7	-232.6
2.000	10	2.815 ▲	2.703	3.003	1.289	-62.2	-71.4	-149.3
2.500	**Germany** 2	2.708 ▲	2.552	3.087	0.137	-133.8	-146.4	-235.9
2.300	10	2.313 ▲	2.186	2.504	0.818	-112.3	-123.1	-196.4
2.500	**Italy** 2	3.251 ▲	3.082	3.571	0.544	-79.5	-93.4	-195.2
4.400	10	4.157 ▲	4.027	4.317	2.465	72.1	61.0	-31.7
0.005	**Japan** 2	-0.047 ▼	-0.040	-0.034	-0.084	-409.2	-405.6	-257.9
0.500	10	0.454 ▼	0.469	0.393	0.239	-298.2	-294.8	-254.3
0.000	**Spain** 2	2.970 ▲	2.798	3.260	0.449	-107.5	-121.8	-204.6
3.150	10	3.361 ▲	3.219	3.495	1.739	-7.5	-19.8	-104.3
0.625	**U.K.** 2	3.483 ▲	3.363	3.637	1.565	-56.2	-65.3	-93.0
4.250	10	3.542 ▲	3.433	3.639	1.850	10.6	1.7	-93.3

Source: Tullett Prebon, Tradeweb ICE U.S. Treasury Close

Corporate Debt

Prices of firms' bonds reflect factors including investors' economic, sectoral and company-specific expectations

Investment-grade spreads that tightened the most...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
HSBC Holdings	HSBC	3.900	5.31	May 25, '26	150	–12	n.a.
Pfizer	PFE	2.750	4.03	June 3, '26	22	–11	n.a.
CF Industries	CF	5.150	5.48	March 15, '34	205	–8	220
Wells Fargo	WFC	4.300	5.08	July 22, '27	151	–7	148
John Deere Capital	DE	4.150	4.16	Sept. 15, '27	62	–6	62
MassMutual Global Funding II	MASSMU	4.150	5.00	Aug. 26, '25	96	–5	n.a.
Shell International Finance BV*	RDSALN	2.875	4.21	May 10, '26	40	–5	47
Siemens Financieringsmaatschappij	SIEGR	1.700	4.26	March 11, '28	73	–5	75

...And spreads that widened the most

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Spread*, in basis points Current	One-day change	Last week
KeyCorp*	KEY	4.150	6.69	Oct. 29, '25	265	21	260
John Deere Capital	DE	5.050	4.33	March 3, '26	53	15	57
AstraZeneca	AZN	3.375	4.19	Nov. 16, '25	17	8	7
Sumitomo Mitsui Financial	SUMIBK	5.766	5.20	Jan. 13, '33	176	7	166
Metropolitan Life Global Funding	MET	5.150	5.01	March 28, '33	158	6	152
Wells Fargo	WFC	4.100	5.33	June 3, '26	155	6	n.a.
Royal Bank of Canada	RY	4.875	4.86	Jan. 12, '26	105	5	100
Williams	WMB	5.400	4.76	March 2, '26	95	5	81

High-yield issues with the biggest price increases...

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
Bausch Health	BHCCN	11.000	17.59	Sept. 30, '28	77.430	2.99	75.000
Bath & Body Works	BBWI	6.875	7.96	Nov. 1, '35	91.500	1.00	90.875
Hat Holdings I	HASI	3.750	8.07	Sept. 15, '30	76.240	0.73	75.696
Teva Pharmaceutical Finance Netherlands Iii	...	3.150	6.28	Oct. 1, '26	90.370	0.70	89.745
Occidental Petroleum	OXY	6.450	5.65	Sept. 15, '36	107.500	0.46	107.850
Intelsat Jackson Holdings S.A.	...	6.500	7.92	March 15, '30	92.530	0.30	92.479
Dish DBS	...	5.125	19.41	June 1, '29	50.000	0.25	53.000
Vici Properties	VICI	4.375	5.62	May 15, '25	97.568	0.15	n.a.

...And with the biggest price decreases

Issuer	Symbol	Coupon (%)	Yield (%)	Maturity	Bond Price as % of face value Current	One-day change	Last week
Occidental Petroleum	OXY	7.500	5.63	May 1, '31	112.000	–0.78	112.000
Dish DBS	...	7.750	25.50	July 1, '26	62.500	–0.38	65.500
Sprint	...	7.125	5.44	June 15, '24	101.875	–0.27	101.750
Ford Motor Credit	...	3.664	6.44	Sept. 8, '24	96.334	–0.20	96.625
Prime Security Services Borrower	PRSESE	5.750	6.07	April 15, '26	99.125	–0.13	99.227
Commerzbank AG*	CMZB	8.125	11.09	Sept. 19, '23	98.750	–0.10	98.375

*Estimated spread over 2-year, 3-year, 5-year, 10-year or 30-year hot-run Treasury; 100 basis points=one percentage pt.; change in spread shown is for Z-spread.

Note: Data are for the most active issue of bonds with maturities of two years or more

Source: MarketAxess

BIGGEST 1,000 STOCKS

How to Read the Stock Tables

The following explanations apply to NYSE, NYSE Arca, NYSE American and Nasdaq Stock Market listed securities. Prices are composite quotations that include primary market trades as well as trades reported by Nasdaq BX (formerly Boston), Chicago Stock Exchange, Cboe, NYSE National and Nasdaq ISE.

The list comprises the 1,000 largest companies based on market capitalization.

Underlined quotations are those stocks with large changes in volume compared with the issue's average trading volume.

Boldfaced quotations highlight those issues whose price changed by 5% or more if their previous closing price was $2 or higher.

Footnotes:
▲-New 52-week high.
▼-New 52-week low.
dd-Indicates loss in the most recent four quarters.
FD-First day of trading.
h-Does not meet continued listing standards
lf-Late filing
q-Temporary exemption from Nasdaq requirements.
t-NYSE bankruptcy
v-Trading halted on primary market.
vj-In bankruptcy or receivership or being reorganized under the Bankruptcy Code, or securities assumed by such companies.

Wall Street Journal stock tables reflect composite regular trading as of 4 p.m. and changes in the closing prices from 4 p.m. the previous day.

Tuesday, April 11, 2023

Stock	Sym	Close	Net Chg
A B C			
ABB	ABB	33.87	0.72
ADT	ADT	6.92	-0.06
AECOM	ACM	81.77	0.44
AES	AES	25.35	0.45
Aflac	AFL	65.71	0.74
AGCO	AGCO	123.85	1.50
AMC Ent	AMC	5.43	0.19
Ansys	ANSS	321.41	-0.43
APA	APA	39.92	0.83
ASE Tech	ASX	7.63	...
ASML	ASML	659.77	-1.87
AT&T	T	19.69	0.12
AbbottLabs	ABT	103.29	-0.41
AbbVie	ABBV	161.38	0.10
AcadiaHealthcare	ACHC	74.41	1.14
Accenture	ACN	286.33	4.65
ActivisionBliz	ATVI	85.09	-0.39
Adobe	ADBE	371.11	-5.14
AdvanceAuto	AAP	122.18	1.79
AdvDrainageSys	WMS	80.75	0.55
AdvMicroDevices	AMD	94.03	-1.45
Aegon	AEG	4.45	0.04
AerCap	AER	53.97	-0.93
AgilentTechs	A	138.52	0.50
agilon health	AGL	27.60	0.76
AgnicoEagleMines	AEM	56.79	0.59
AirProducts	APD	285.33	1.90
Airbnb	ABNB	114.25	1.65
AkamaiTech	AKAM	80.72	2.49
Albemarle	ALB	201.71	1.89
Albertsons	ACI	20.87	-0.34
Alcoa	AA	40.63	0.85
Alcon	ALC	69.68	0.52
AlexandriaRlEst	ARE	123.04	-0.98
Alibaba	BABA	99.76	-1.78
AlignTech	ALGN	339.00	8.34
Allegion	ALLE	101.33	0.95
AllegroMicro	ALGM	45.36	-0.84
AlliantEnergy	LNT	55.06	0.14
Allstate	ALL	116.10	-0.01
AllyFinancial	ALLY	27.19	0.89
AlnylamPharm	ALNY	202.81	-2.63
Alphabet A	GOOGL	105.35	-1.09
Alphabet C	GOOG	106.12	-0.83
Altria	MO	45.09	0.59
Amazon.com	AMZN	99.92	-2.25
Ambev	ABEV	2.91	0.09
Amcor	AMCR	10.99	-0.10
Amdocs	DOX	95.48	0.17
Ameren	AEE	90.17	0.16
AmericaMovil	AMX	21.30	-0.15
AmerAirlines	AAL	14.32	0.17
AEP	AEP	94.34	-0.10
AmerExpress	AXP	161.83	0.69
AmericanFin	AFG	122.15	0.15
AmHomes4Rent	AMH	32.30	0.45
AIG	AIG	51.20	0.09
AmerTowerREIT	AMT	210.38	2.03
AmerWaterWorks	AWK	152.06	0.17
AmericoldRealty	COLD	27.96	-0.07
Ameriprise	AMP	305.87	3.81
AmerisourceBrgn	ABC	166.55	0.17
Ametek	AME	137.02	0.24
Amgen	AMGN	251.43	0.53
Amphenol	APH	78.20	-0.22
AnalogDevices	ADI	189.41	-1.54
▲ AngloGoldAsh	AU	26.74	0.10
AB InBev	BUD	65.11	0.15
AnnalyCap	NLY	19.15	0.32
AnteroResources	AR	24.33	0.22
Aon	AON	320.90	0.95
ApellisPharm	APLS	79.65	0.76
ApolloGlbMgmt	APO	63.13	1.28
Apple	AAPL	160.80	-1.23
ApplMaterials	AMAT	116.38	-0.12
Aptargroup	ATR	119.05	-0.05
Aptiv	APTV	104.97	0.63
Aramark	ARMK	35.58	0.56
ArcelorMittal	MT	29.18	0.88
ArchCapital	ACGL	69.01	0.36
ArcherDaniels	ADM	81.39	1.34
AresMgmt	ARES	80.55	0.01
arGEN-X	ARGX	374.79	-2.95
AristaNetworks	ANET	159.61	-3.52
ArrowElec	ARW	118.74	0.74
AspenTech	AZPN	237.50	3.80
Assurant	AIZ	119.54	0.14
AstraZeneca	AZN	72.18	0.11
Atlassian	TEAM	162.88	3.96
AtmosEnergy	ATO	116.37	0.30
Autodesk	ADSK	197.78	-0.36
Autoliv	ALV	89.25	0.68
ADP	ADP	215.21	0.99
AutoZone	AZO	2559.54	5.10
Avalonbay	AVB	170.30	1.68
Avangrid	AGR	40.80	0.02
Avantor	AVTR	21.54	0.48
AveryDennison	AVY	178.14	0.97
AvisBudget	CAR	195.04	4.35
AxaltaCoating	AXTA	30.45	0.53
AxonEnterprise	AXON	224.01	1.38
BCE	BCE	46.87	0.30
BHP Group	BHP	62.71	2.39
BILL	BILL	77.20	2.36
BJ'sWholesale	BJ	76.13	0.15
BP	BP	39.86	0.16
Baidu	BIDU	136.69	-2.31
BakerHughes	BKR	29.15	0.32
Ball	BALL	52.39	0.35
BancoBilbaoViz	BBVA	7.09	-0.01
BancoBradesco	BBDO	2.38	0.04
BancodeChile	BCH	19.40	0.47
BancSanBrasil	**BSBR**	**5.49**	**0.27**
BcoSantChile	BSAC	17.94	0.28
BancoSantander	SAN	3.73	-0.08
BanColombia	CIB	26.93	0.73
BankofAmerica	BAC	28.71	0.77
BankofMontreal	BMO	89.43	0.17
BankNY Mellon	BK	45.74	0.51
BankNovaScotia	BNS	50.53	0.48
Barclays	BCS	7.56	...
BarrickGold	GOLD	19.42	-0.04
Bath&BodyWks	BBWI	37.83	0.42
BaxterIntl	BAX	42.89	0.72
BectonDicknsn	BDX	252.98	-0.55
BeiGene	**BGNE**	**251.96**	**16.96**
BentleySystems	BSY	41.83	-0.18
Berkley	WRB	63.10	0.11
BerkHathwy A	BRK.A	480800	4300.00
BerkHathwy B	BRK.B	313.70	1.08
BerryGlobal	BERY	57.85	-0.21
BestBuy	BBY	75.25	0.29
Bilibili	BILI	21.74	0.80
Bio-Techne	TECH	77.80	2.61
Bio-RadLab A	BIO	472.01	2.06
Biogen	BIIB	283.69	0.83
BioMarinPharm	BMRN	97.84	-0.21
BioNTech	BNTX	126.34	-1.37
BlackKnight	BKI	56.79	-0.97
BlackRock	BLK	669.68	9.86
Blackstone	BX	83.40	1.81
Block	SQ	66.42	0.06
BlueOwlCapital	OWL	10.97	0.16
Boeing	BA	212.32	1.54
BookingHldgs	BKNG	2566.47	-6.10
BoozAllen	BAH	96.22	-0.61
BorgWarner	BWA	47.70	0.78
BostonProps	BXP	54.01	1.22
BostonSci	BSX	50.73	0.39
BoydGaming	BYD	64.52	0.82
BristolMyers	BMY	70.03	-0.25
BritishAmTob	BTI	35.53	0.21
BrixmorProp	BRX	20.88	0.03
Broadcom	AVGO	621.57	-5.82
BroadridgeFinl	BR	144.05	2.06
BrookfieldAsset	BAM	31.84	0.29
Brookfield	BN	31.92	0.39
BrookfieldInfr	BIP	34.70	0.73
BrookfieldRenew	BEPC	33.49	0.89
Brown&Brown	BRO	58.91	0.49
Brown-Forman A	BF.A	64.21	0.52
Brown-Forman B	BF.B	63.23	0.53
▲ Bruker	BRKR	79.89	0.73
▲ BuildersFirst	BLDR	92.37	3.75
Bunge	BG	95.22	1.05
BurlingtonStrs	BURL	197.70	-0.37
CACI Intl	CACI	303.05	0.44
CBRE Group	CBRE	70.46	0.51
CDW	CDW	188.50	-0.54
CF Industries	**CF**	**77.56**	**3.85**
CGI	GIB	97.87	0.66
CH Robinson	CHRW	95.69	0.55
CME Group	CME	191.58	-1.16
CMS Energy	CMS	61.73	-0.22
CNA Fin	CNA	38.88	-0.05
CNH Indl	CNHI	14.18	0.07
CRH	CRH	47.74	-0.31
CSX	CSX	30.31	0.32
CVS Health	CVS	76.29	0.25
▲ CadenceDesign	CDNS	213.89	0.28
CAE	CAE	24.05	0.21
CaesarsEnt	CZR	45.92	0.45
CamdenProperty	CPT	104.55	-0.25
Cameco	CCJ	25.32	0.06
CampbellSoup	CPB	55.79	0.43
CIBC	CM	42.84	0.42
CanNtlRlwy	CNI	118.88	1.03
CanadianNatRscs	CNQ	59.31	0.62
CanPacRlwy	CP	76.40	0.61
CapitalOne	COF	98.43	3.21
CardinalHealth	CAH	79.95	0.33
Carlisle	CSL	210.76	0.22
Carlyle	CG	30.11	0.52
CarMax	**KMX**	**72.21**	**6.35**
Carnival	CCL	10.04	0.17
Carnival	CUK	9.10	0.17
CarrierGlobal	CARR	43.52	1.22
CaseysGenStores	CASY	222.89	4.97
Catalent	CTLT	65.44	-1.82
Caterpillar	CAT	220.60	5.07
Celanese	CE	108.88	1.49
CelsiusHldg	CELH	86.89	-0.11
Cemex	CX	5.52	0.11
CenovusEnergy	CVE	18.03	0.25
Centene	CNC	67.36	1.04
CenterPointEner	CNP	30.63	-0.05
CentraisElBras	EBR	6.86	0.26
CeridianHCM	CDAY	68.18	-0.98
CharlesRiverLabs	CRL	202.42	2.68
CharterComms	CHTR	358.52	4.63
CheckPoint	CHKP	130.80	0.04
▲ Chemed	CHE	558.02	8.56
CheniereEnergy	LNG	152.30	-1.19
CheniereEnerPtrs	CQP	47.81	0.58
ChesapeakeEner	CHK	78.87	1.33
Chevron	CVX	169.22	0.93
ChewyA	CHWY	35.58	0.35
Chipotle	CMG	1714.06	22.50
Chubb	CB	198.08	2.05
ChunghwaTel	CHT	40.13	-0.01
Church&Dwight	CHD	90.59	0.05
ChurchillDowns	CHDN	255.98	3.00
Ciena	CIEN	51.53	-0.60
Cigna	CI	266.48	3.38
CincinnatiFin	CINF	110.99	-0.32
Cintas	CTAS	450.26	0.25
CiscoSystems	CSCO	50.62	-0.71
Citigroup	C	47.20	0.68
CitizensFin	CFG	29.41	0.12
CleanHarbors	CLH	138.40	1.35
ClearwayEnergyA	CWEN.A	30.20	0.28
ClearwayEnergyC	CWEN	31.48	0.10
Cleveland-Cliffs	CLF	18.35	0.42
Clorox	CLX	159.11	1.17
Cloudflare	NET	60.70	1.84
Coca-Cola	KO	62.58	-0.11
Coca-ColaEuro	CCEP	59.29	0.49
Cognex	CGNX	48.55	0.16
CognizantTech	CTSH	61.69	0.58
CoinbaseGlbl	**COIN**	**70.19**	**4.06**
ColgatePalm	CL	76.02	0.88
Comcast A	CMCSA	38.38	0.15
CommerceBcshrs	CBSH	55.81	-0.50
SABESP	SBS	10.23	0.47
ConagraBrands	CAG	37.91	0.34
Confluent	CFLT	23.37	-0.07
ConocoPhillips	COP	106.75	0.80
ConEd	ED	99.11	-0.10
ConstBrands A	STZ	228.16	3.56
ConstellationEner	CEG	77.42	0.09
Cooper	COO	371.94	1.82
Copart	CPRT	75.74	0.77
CorebridgeFin	CRBG	15.94	0.12
Corning	GLW	34.98	0.10
Corteva	CTVA	60.93	0.64
CoStar	CSGP	68.80	-0.02
Costco	COST	498.65	4.82
CoterraEnergy	CTRA	25.96	0.31
Coty	COTY	11.84	0.07
Coupang	CPNG	15.45	-0.15
Credicorp	BAP	129.26	0.42
Crocs	CROX	128.07	0.10
CrowdStrike	CRWD	129.86	1.76
CrownCastle	CCI	134.51	0.49
CrownHoldings	CCK	79.11	0.60
CubeSmart	CUBE	48.48	0.43
Cullen/Frost	CFR	104.79	1.10
Cummins	CMI	229.85	4.15
Curtiss-Wright	CW	176.17	1.09
D E F			
DCP Midstream	DCP	41.84	-0.01
DTE Energy	DTE	113.91	0.32
Danaher	DHR	249.88	0.34
Darden	DRI	153.48	1.98
DarlingIngred	DAR	59.49	0.79
Datadog	DDOG	64.85	-1.29
DaVita	DVA	84.72	2.02
▲ DeckersOutdoor	DECK	457.23	-0.83
Deere	DE	380.83	3.50
DellTechC	DELL	41.60	0.17
DeltaAir	DAL	34.58	0.61
DentsplySirona	XRAY	40.77	0.99
DescartesSystems	DSGX	80.30	0.39
DeutscheBank	DB	10.50	0.18
DevonEnergy	DVN	54.30	0.91
DexCom	DXCM	115.04	2.51
Diageo	DEO	183.96	-0.73
DiamondbkEner	FANG	145.17	1.98
Dick's	DKS	139.07	1.97
DigitalRealty	DLR	93.84	1.21
DiscoverFinSvcs	DFS	100.40	2.23
Disney	DIS	100.42	-0.39
DocuSign	DOCU	57.10	0.27
DolbyLab	DLB	84.27	-0.16
DollarGeneral	DG	218.62	1.86
DollarTree	DLTR	153.07	0.14
DominionEner	D	58.08	0.12
Domino's	DPZ	332.44	2.73
Donaldson	DCI	62.66	0.66
DoorDash	DASH	62.92	1.34
Dover	DOV	146.93	2.88
Dow	DOW	56.19	0.38
Doximity	**DOCS**	**35.20**	**1.84**
DrReddy'sLab	RDY	58.74	-0.23
DraftKings	DKNG	18.75	0.41
Dropbox	DBX	20.76	-0.32
DukeEnergy	DUK	99.35	0.22
DuPont	DD	70.68	0.87
Dynatrace	DT	41.51	-0.15
EMCOR	EME	154.92	-1.81
ENI	E	30.20	0.44
EOG Rscs	EOG	121.68	1.31
EPAM Systems	EPAM	294.32	3.39
EQT	EQT	33.42	0.03
EastWestBncp	EWBC	53.37	0.01
EastGroup	EGP	164.60	-0.75
EastmanChem	EMN	82.41	0.48
Eaton	ETN	158.80	1.36
eBay	EBAY	43.50	0.10
Ecolab	ECL	165.14	-0.82
Ecopetrol	EC	11.50	0.42
EdisonIntl	EIX	72.81	-0.03
EdwardsLife	EW	82.20	-0.55
ElbitSystems	ESLT	175.86	-1.48
ElectronicArts	EA	125.68	0.06
ElevanceHealth	ELV	489.68	4.75
EmersonElec	EMR	84.44	-0.01
Enbridge	ENB	39.61	0.54
Endeavor	EDR	23.92	0.02
EnergyTransfer	ET	12.56	0.05
EnphaseEnergy	ENPH	196.88	1.08
Entegris	ENTG	76.49	0.28
Entergy	ETR	110.44	-0.57
EnterpriseProd	EPD	26.67	0.13
Envista	NVST	39.22	0.55
Equifax	EFX	200.58	2.82
Equinix	EQIX	706.53	0.29
Equinor	EQNR	29.00	0.16
Equitable	EQH	25.00	0.49
EquityLife	ELS	66.91	0.32
EquityResdntl	EQR	60.27	0.17
ErieIndemnity A	ERIE	236.05	2.78
EssentialUtil	WTRG	44.92	0.14
EssexProp	ESS	211.41	0.64
EsteeLauder	EL	241.75	1.19
Etsy	ETSY	103.64	0.60
EverestRe	RE	363.28	-1.47
Evergy	EVRG	62.57	-0.27
EversourceEner	ES	80.25	-0.21
ExactSciences	EXAS	66.78	0.87
Exelixis	EXEL	20.08	-0.03
Exelon	EXC	43.26	...
Expedia	EXPE	91.79	1.98
ExpeditorsIntl	EXPD	109.06	1.37
ExtraSpaceSt	EXR	164.68	0.46
ExxonMobil	XOM	115.35	0.81
F5	FFIV	145.75	-0.85
FMC	FMC	120.77	1.70
▲ FTI Consulting	FCN	202.77	-0.05
FactSet	FDS	406.05	2.35
FairIsaac	FICO	678.96	-0.61
Fastenal	FAST	52.66	0.49
FederalRealty	FRT	98.38	0.62
FedEx	FDX	231.53	-0.07
Ferguson	FERG	125.99	0.81
▲ Ferrari	RACE	274.22	1.23
FidNatlFin	FNF	35.37	0.55
FidNatlInfo	FIS	56.00	1.31
FifthThirdBncp	FITB	26.53	0.24
FirstCitizBcshA	FCNCA	983.20	-10.53
FirstHorizon	FHN	17.67	-0.13
FirstIndRlty	FR	52.05	-0.16
FirstSolar	FSLR	210.03	-2.00
FirstEnergy	FE	41.85	0.39
FirstService	FSV	140.02	-0.41
Fiserv	FISV	114.83	1.12
▲ FiveBelow	FIVE	217.18	0.46
FleetCorTech	FLT	215.88	5.46
Flex	FLEX	21.44	-0.12
Floor&Decor	FND	98.70	0.96
FomentoEconMex	FMX	94.27	0.67
FordMotor	F	12.87	0.15
Fortinet	FTNT	67.00	0.09
Fortis	FTS	44.67	0.51
Fortive	FTV	65.05	0.07
FortuneBrands	FBIN	58.64	1.85
FoxA	FOXA	34.19	0.26
FoxB	FOX	31.47	0.28
Franco-Nevada	FNV	153.86	1.13
FranklinRscs	BEN	27.16	0.55
FreeportMcM	FCX	41.13	1.00
FreseniusMed	FMS	22.33	0.05
FullTruck	YMM	7.48	0.14
Futu	FUTU	49.86	1.82
G H I			
GE HealthCare	GEHC	80.59	...
GFLEnvironmental	GFL	34.59	0.36
GSK	GSK	37.35	-0.52
Gallagher	AJG	196.79	1.18
GameStop	GME	22.69	0.32
Gaming&Leisure	GLPI	51.24	-0.30
Garmin	GRMN	98.59	0.33
Gartner	IT	316.21	1.53
GenDigital	GEN	17.77	0.46
Generac	GNRC	101.46	-0.74
GeneralDynamics	GD	228.27	-0.78
GeneralElec	GE	93.91	-0.45
GeneralMills	GIS	87.06	0.71
GeneralMotors	GM	35.41	-0.32
Genmab	GMAB	39.00	0.16
Genpact	G	45.12	0.26
Gentex	GNTX	27.60	0.39
GenuineParts	GPC	165.37	0.59
Gerdau	**GGB**	**5.13**	**0.30**
GileadSciences	GILD	82.54	-0.06
GlobalPayments	GPN	105.86	1.06
GlobalFoundries	GFS	67.70	-0.05
Globant	GLOB	156.99	4.52
GlobeLife	GL	107.37	-0.78
GoDaddy	GDDY	76.72	0.35
GoldFields	GFI	14.72	0.25
GoldmanSachs	GS	327.37	2.41
Grab	GRAB	2.98	-0.08
Graco	GGG	70.27	0.46
Grainger	GWW	648.40	-3.06
GraphicPkg	GPK	25.24	0.21
GpoAeroportuar	PAC	193.15	-3.54
▲ GpoAeroportSur	ASR	307.71	-2.60
Guidewire	GWRE	77.41	-0.79
HCA Healthcare	HCA	271.59	0.60
HDFC Bank	HDB	68.60	0.93
HF Sinclair	DINO	47.96	1.18
HP	HPQ	29.94	0.20
HSBC	HSBC	34.99	-0.14
H World	HTHT	49.57	-0.14
Haleon	HLN	8.77	-0.08
Halliburton	HAL	33.73	0.64
HartfordFinl	HIG	70.59	0.45
Hasbro	HAS	52.41	0.20
HealthcareRealty	HR	20.14	0.59
HealthpeakProp	PEAK	21.99	0.31
Heico	HEI	168.89	0.92
Heico A	HEI.A	133.89	0.49
HenrySchein	HSIC	85.22	1.33
Hershey	HSY	259.14	0.39
Hess	HES	144.80	2.47
HessMidstream	HESM	29.59	0.23
HewlettPackard	HPE	16.05	-0.01
Hilton	HLT	141.75	0.75
Hologic	HOLX	83.54	0.47
HomeDepot	HD	293.77	2.60
HondaMotor	HMC	26.52	0.16
Honeywell	HON	192.19	0.51
HorizonTherap	HZNP	109.53	0.23
HormelFoods	HRL	40.34	0.12
DR Horton	DHI	99.77	3.55
HostHotels	HST	16.40	0.13
HowmetAerospace	HWM	42.66	0.54
Hubbell	HUBB	224.53	0.01
HubSpot	HUBS	408.85	1.14
Humana	HUM	533.76	9.20
JBHunt	JBHT	175.52	1.38
HuntingtonBcshs	HBAN	11.40	0.10
HuntingIngalls	HII	209.17	-0.51
HyattHotels	H	111.19	2.13
ICICI Bank	IBN	21.66	0.29
ICL Group	ICL	6.58	0.08
IdexxLab	IDXX	478.13	0.91
ING Groep	ING	12.55	0.17
Invesco	IVZ	16.32	0.34
IQVIA	IQV	199.69	2.80
ITT	ITT	82.71	0.81
IcahnEnterprises	IEP	52.05	-0.01
Icon	ICLR	210.45	1.97
IDEX	IEX	220.41	0.96
IllinoisToolWks	ITW	230.56	1.83
Illumina	ILMN	227.76	-1.95
ImperialOil	IMO	54.74	0.90
Incyte	INCY	74.17	0.24
Infosys	INFY	17.45	0.06
IngersollRand	IR	55.60	0.13
Ingredion	INGR	101.55	-0.15
InspireMedical	INSP	239.91	8.14
Insulet	PODD	314.00	-0.92
Intel	INTC	32.35	-0.17
InteractiveBrkrs	IBKR	80.28	0.22
ICE	ICE	106.13	-0.25
InterContinentl	IHG	67.85	0.05
IBM	IBM	130.42	-0.61
IntlFlavors	IFF	92.83	0.76
IntlPaper	IP	36.54	0.65
Interpublic	IPG	37.27	0.20
Intuit	INTU	437.50	-7.22
IntuitiveSurgical	ISRG	262.77	3.83
InvitatHomes	INVH	31.92	0.28
iQIYI	IQ	6.74	0.02
IridiumComm	IRDM	59.97	-0.56
IronMountain	IRM	53.48	1.11
ItauUnibanco	ITUB	5.07	0.24
J K L			
JD.com	JD	40.01	0.04
JPMorganChase	JPM	128.52	0.63
Jabil	JBL	83.12	0.07
JackHenry	JKHY	153.39	4.67
JacobsSolns	J	113.85	-0.03
JamesHardie	JHX	21.74	0.22
JazzPharm	JAZZ	146.65	0.38
JefferiesFin	JEF	31.45	-0.05
J&J	JNJ	164.27	-0.05
JohnsonControls	JCI	56.67	0.31
JonesLang	JLL	137.09	1.19
JuniperNetworks	JNPR	33.64	-0.28
KB Financial	KB	35.81	0.33
KBR	KBR	56.26	0.49
KE Holdings	BEKE	18.05	-0.82
KKR	KKR	51.50	1.10
KLA	KLAC	377.91	-4.76
Kanzhun	BZ	18.39	-0.21
KarunaTherap	KRTX	181.69	2.08
Kellogg	K	68.38	0.60
KeurigDrPepper	KDP	35.25	0.02
KeyCorp	KEY	12.25	0.13
KeysightTech	KEYS	156.17	-1.24
KimberlyClark	KMB	135.99	0.42
KimcoRealty	KIM	19.29	0.10
KinderMorgan	KMI	17.89	0.14
KinsaleCapital	KNSL	313.53	3.66
Knight-Swift	KNX	56.62	1.05
Philips	PHG	18.71	0.11
KoreaElecPwr	KEP	6.95	0.02
KraftHeinz	KHC	39.25	0.15
Kroger	KR	47.96	-0.94
LKQ	LKQ	56.47	0.90
LPL Financial	LPLA	195.27	-2.26
L3HarrisTech	LHX	198.91	-0.31
LabCorp.ofAmerica	LH	232.76	0.58
LamResearch	LRCX	507.51	0.05
LamarAdv	LAMR	101.28	1.50
LambWeston	LW	108.04	0.75
LandstarSystem	LSTR	178.51	0.63
LasVegasSands	LVS	55.93	-1.09
LatticeSemi	LSCC	91.95	0.51
Lear	LEA	135.27	1.05
LegendBiotech	LEGN	50.56	0.78
Leidos	LDOS	92.28	-0.32
Lennar A	LEN	105.50	2.91
Lennar B	LEN.B	90.34	3.18
LennoxIntl	LII	242.82	5.88
LeviStrauss	LEVI	15.51	-0.24
LiAuto	LI	23.83	0.20
LibertyBroadbandC	LBRDK	82.02	1.12
LibertyBroadbandA	LBRDA	82.40	1.27
LibertyGlobal A	LBTYA	19.62	0.02
LibertyGlobal C	LBTYK	20.56	0.01
LibertyFormOne A	FWONA	66.04	-1.28
LibertyFormOne C	FWONK	73.34	-1.50
▲ LibertyBraves A	BATRA	36.54	0.19
▲ LibertyBraves C	BATRK	35.33	0.19
LibertySirius C	LSXMK	29.18	0.36
LibertySirius A	LSXMA	29.30	0.39
LifeStorage	LSI	145.42	0.34
EliLilly	LLY	364.04	-2.96
LincolnElectric	LECO	160.38	0.83
Linde	LIN	358.25	-0.31
Littelfuse	LFUS	257.50	2.53
LiveNationEnt	LYV	70.18	0.45
LloydsBanking	LYG	2.43	0.04
LockheedMartin	LMT	487.84	-8.91
Loews	L	56.88	0.43
LogitechIntl	LOGI	56.68	-0.41
Lowe's	LOW	201.34	1.56
Lucid	**LCID**	**8.46**	**0.43**
lululemon	LULU	365.81	2.44
LyondellBasell	LYB	95.46	0.49
M N			
M&T Bank	MTB	118.19	0.74
MGM Resorts	MGM	43.36	0.18
MPLX	MPLX	34.63	0.14
MSCI	MSCI	529.67	1.23
▲ MagellanMid	MMP	55.06	0.60
MagnaIntl	MGA	53.54	0.81
ManhattanAssoc	MANH	152.79	-2.52
ManulifeFinl	MFC	18.87	0.17
MarathonOil	MRO	26.11	0.35
MarathonPetrol	MPC	132.19	0.95
Markel	MKL	1316.76	12.18
MarketAxess	MKTX	338.37	2.67
Marriott	MAR	163.88	1.09
Marsh&McLen	MMC	169.20	1.07
MartinMarietta	MLM	346.20	5.72
MarvellTech	MRVL	40.09	-0.25
Masco	MAS	48.49	0.98
▲ Masimo	MASI	189.07	2.24
MasTec	MTZ	90.41	0.39
Mastercard	MA	364.13	3.99
MatadorRscs	MTDR	52.31	0.18
MatchGroup	MTCH	36.10	0.43
Mattel	MAT	17.80	0.07
McCormickVtg	MKC.V	84.76	-0.54
McCormick	MKC	86.11	0.86
▲ McDonald's	MCD	284.48	0.70
McKesson	MCK	366.17	-4.60
Medtronic	MDT	81.00	0.76
MercadoLibre	MELI	1285.06	33.44
Merck	MRK	112.49	-0.12
MetaPlatforms	META	213.85	-0.90
MetLife	MET	60.12	0.64
Mettler-Toledo	MTD	1527.37	5.74
MicrochipTech	MCHP	80.55	...
MicronTech	MU	63.57	0.30
Microsoft	MSFT	282.83	-6.56
MidAmApt	MAA	150.24	0.37
Middleby	MIDD	138.83	0.67
MitsubishiUFJ	MUFG	6.47	0.07
MizuhoFin	MFG	2.89	...
Mobileye	MBLY	42.29	0.86
Moderna	MRNA	155.25	-4.90
MolinaHealthcare	MOH	294.23	4.40
MolsonCoorsB	TAP	54.05	0.90
monday.com	MNDY	132.81	-1.94
Mondelez	MDLZ	70.31	-0.22
MongoDB	MDB	211.52	-2.73
MonolithicPower	MPWR	484.64	-4.12
MonsterBev	MNST	52.28	-0.07
Moody's	MCO	299.32	3.66
MorganStanley	MS	85.09	1.09
Morningstar	MORN	203.93	0.82
Mosaic	MOS	46.90	1.99
MotorolaSol	MSI	283.50	-0.12
NICE	NICE	222.65	-2.26
NIO	**NIO**	**9.52**	**0.47**
NOV	NOV	18.50	0.16
NRG Energy	NRG	35.68	0.50
NVR	NVR	5578.01	98.14
NXP Semi	NXPI	171.88	-0.53
Nasdaq	NDAQ	54.35	-0.03
NationalGrid	NGG	71.13	-0.13
NatlInstruments	NATI	52.58	0.11
NatlRetailProp	NNN	43.25	-0.14
NatWest	NWG	6.77	-0.02
NetApp	NTAP	66.60	1.55
NetEase	NTES	89.00	-0.02
Netflix	NFLX	338.21	-0.78
Neurocrine	NBIX	103.22	...
NewFortressEner	NFE	30.83	1.31
NewOrientalEduc	EDU	37.45	0.39
NYTimes A	NYT	39.44	-0.12
Newmont	NEM	49.92	-1.17
NewsCorp A	NWSA	17.60	0.20
NewsCorp B	NWS	17.72	0.18
NexstarMedia	NXST	177.45	1.33
NextEraEnergy	NEE	78.34	-0.09
Nike	NKE	123.30	1.39
NiSource	NI	28.64	-0.05
Nokia	NOK	4.89	0.07
Nomura	NMR	3.78	0.03
Nordson	NDSN	216.86	3.28
NorfolkSouthern	NSC	205.82	3.51
NorthernTrust	NTRS	89.94	2.20
NorthropGrum	NOC	468.27	-8.27
Novartis	NVS	95.80	0.10
NovoNordisk	NVO	158.37	-0.54
Novocure	NVCR	65.48	1.68
NuHoldings	NU	4.57	0.05
Nucor	NUE	148.72	1.88
Nutrien	NTR	73.30	2.11
nVentElectric	NVT	42.17	0.10
NVIDIA	NVDA	271.69	-4.10
O P Q			
OGE Energy	OGE	38.53	-0.12
ONEOK	OKE	66.43	0.36
▲ OReillyAuto	ORLY	871.04	1.29
OakStreetHealth	OSH	38.81	-0.01
OccidentalPetrol	OXY	64.37	0.28
Okta	OKTA	78.23	0.22
OldDomFreight	ODFL	339.99	5.20
OldRepublic	ORI	25.09	0.10
Olin	OLN	57.60	0.18
OmegaHealthcare	OHI	28.23	0.72
Omnicom	OMC	93.57	0.36
OnHolding	ONON	29.87	-0.52
ON Semi	ON	77.22	-0.48
OpenText	OTEX	38.70	0.37
Oracle	ORCL	93.97	0.21
Orange	ORAN	12.51	...
Orix	IX	82.61	0.72
OtisWorldwide	OTIS	79.77	0.64
Ovintiv	OVV	39.31	-0.05
OwensCorning	OC	98.07	1.87
PDD	PDD	70.71	-0.60
▲ PG&E	PCG	16.82	0.04
PNC Fin	PNC	122.31	0.11
▲ POSCO	PKX	74.47	0.19
▲ PPG Ind	PPG	139.30	0.96
PPL	PPL	28.83	0.19
PTC	PTC	126.01	-0.33
Paccar	PCAR	71.04	1.35
PackagingCpAm	PKG	143.24	2.29
PalantirTech	PLTR	8.61	0.22
PaloAltoNtwks	PANW	192.81	0.19
PanAmerSilver	PAAS	18.92	-0.09
ParamountA	PARAA	26.21	0.56
ParamountB	PARA	22.88	0.58
ParkerHannifin	PH	317.98	2.81
Paychex	PAYX	109.38	0.08
PaycomSoftware	PAYC	295.91	1.53
Paylocity	PCTY	191.09	1.19
PayPal	PYPL	73.58	-0.94
Pearson	PSO	10.34	-0.13
PembinaPipeline	PBA	33.48	0.36
PenskeAuto	PAG	141.59	4.90
Pentair	PNR	53.44	0.37
▲ Penumbra	PEN	286.65	7.83
PepsiCo	PEP	182.92	-0.28
PerformanceFood	PFGC	61.41	0.98
PerkinElmer	PKI	134.19	1.32
PetroleoBrasil	**PBR**	**11.57**	**0.67**
PetroleoBrasilA	**PBR.A**	**10.27**	**0.60**
Pfizer	PFE	41.79	0.06
PhilipMorris	PM	98.64	0.07
Phillips66	PSX	106.46	1.50
PinnacleWest	PNW	80.05	-0.37
Pinterest	PINS	28.19	0.25
PioneerNatRscs	PXD	220.39	0.17
PlainsAllAmPipe	PAA	13.00	-0.01
PlainsGP	PAGP	13.68	...
PlanetFitness	PLNT	79.13	1.06
PolestarAuto	**PSNY**	**3.84**	**0.24**
Pool	POOL	345.82	10.65
Primerica	PRI	172.14	0.10
PrincipalFinl	PFG	75.56	1.28
ProcoreTech	PCOR	55.47	-0.14
Procter&Gamble	PG	150.66	-0.30
▲ Progressive	PGR	148.62	-0.38
Prologis	PLD	122.67	-1.07
PrudentialFin	PRU	85.41	1.26
Prudential	PUK	28.44	0.26

Continued on Page B11

Dividend Changes

Company	Symbol	Yld %	Amount New/Old	Frq	Payable / Record
Increased					
Bank of Am Dep ser 4	BMLpJ	6.6	.3525 /.35051	Q	May30 /May15
Bank of America Pfd E	BACpE	5.2	.3222 /.31664	Q	May15 /Apr28
Bank of America Pfd L	BMLpL	6.4	.3347 /.33065	Q	May22 /May01
Bank of America Pfd. 2	BMLpH	4.6	.3463 /.34412	Q	May30 /May15
Bank of America Pfd. G	BMLpG	4.6	.3565 /.3429	Q	May30 /May15
Goldman Sachs Pfd. A	GSpA	6.7	.3467 /.34129	Q	May10 /Apr25
Goldman Sachs Pfd. C	GSpC	6.6	.3467 /.34129	Q	May10 /Apr25
Goldman Sachs Pfd. D	GSpD	5.4	.3417 /.33618	Q	May10 /Apr25
Stocks					
Agile Therapeutics	AGRX		1:50		/Apr11
Blackboxstocks	BLBX		1:4		/Apr11
Foreign					
Itau CorpBanca ADR	ITCB	4.7	.1646	A	May05 /Apr19
Tsakos Energy Pfd F	TNPpF	9.6	.59375	Q	May01 /Apr26

Sources: FactSet; Dow Jones Market Data

KEY: A: annual; M: monthly; Q: quarterly; r: revised; SA: semiannual; S2:1: stock split and ratio; SO: spin-off.

Borrowing Benchmarks

wsj.com/market-data/bonds/benchmarks

Money Rates

April 11, 2023

Key annual interest rates paid to borrow or lend money in U.S. and international markets. Rates below are a guide to general levels but don't always represent actual transactions.

Inflation

	Feb. index level	Chg From (%) Jan. '23	Feb. '22
U.S. consumer price index			
All items	**300.840**	0.56	6.0
Core	**304.011**	0.68	5.5

International rates

	Latest	Week ago	52-Week High	Low
Prime rates				
U.S.	**8.00**	8.00	8.00	3.50
Canada	**6.70**	6.70	6.70	2.70
Japan	**1.475**	1.475	1.475	1.475
Policy Rates				
Euro zone	**3.50**	3.50	3.50	0.00
Switzerland	**2.00**	2.00	2.00	0.00
Britain	**4.25**	4.25	4.25	0.75
Australia	**3.60**	3.60	3.60	0.10
Overnight repurchase				
U.S.	**4.83**	4.91	4.91	0.25

U.S. government rates

	Latest	Week ago	52-Week High	Low
Discount	**5.00**	5.00	5.00	0.50

	Latest	Week ago	52-WEEK High	Low
Federal funds				
Effective rate	**4.8500**	4.8500	4.8500	0.3400
High	**5.1500**	5.1500	5.1800	0.3400
Low	**4.8000**	4.8100	4.8500	0.3000
Bid	**4.8300**	4.8300	4.8300	0.3200
Offer	**4.8400**	4.8700	4.8700	0.3400
Treasury bill auction				
4 weeks	**4.440**	4.600	4.640	0.205
13 weeks	**4.980**	4.780	4.980	0.785
26 weeks	**4.795**	4.705	4.970	1.220

Secondary market

	Latest	Week ago	52-WEEK High	Low
Fannie Mae				
30-year mortgage yields				
30 days	**5.799**	5.666	6.812	4.321
60 days	**5.809**	5.670	6.988	4.390

Other short-term rates

	Latest	Week ago	52-Week high	low
Call money	**6.75**	6.75	6.75	2.25
Commercial paper (AA financial)				
90 days	**n.a.**	n.a.	5.09	0.75
Libor				
One month	**4.93729**	4.87114	4.93729	0.55129
Three month	**5.24157**	5.21886	5.24157	1.03843
Six month	**5.35157**	5.33671	5.49986	1.55157
One year	**5.32314**	5.29614	5.88071	2.22157
Secured Overnight Financing Rate	**4.81**	4.84	4.87	0.26

	Latest	Value Traded	52-Week High	Low
DTCC GCF Repo Index				
Treasury	**4.846**	11.960	4.916	0.239
MBS	**4.897**	74.750	4.960	0.294

Notes on data:

U.S. prime rate is the base rate on corporate loans posted by at least 70% of the 10 largest U.S. banks, and is effective March 23, 2023. **Other prime rates** aren't directly comparable; lending practices vary widely by location; **Discount rate** is effective March 23, 2023. **Secured Overnight Financing Rate** is as of April 10, 2023. **DTCC GCF Repo Index** is Depository Trust & Clearing Corp.'s weighted average for overnight trades in applicable CUSIPs. Value traded is in billions of U.S. dollars. **Federal-funds rates** are Tullett Prebon rates as of 5:30 p.m. ET.

Sources: Federal Reserve; Bureau of Labor Statistics; DTCC; FactSet; Tullett Prebon Information, Ltd.

BANKRATE.COM® MMA, Savings and CDs

Average Yields of Major Banks

Tuesday, April 11, 2023

Type	MMA	1-MO	2-MO	3-MO	6-MO	1-YR	2-YR	2.5YR	5YR
National average									
Savings	0.32	0.28	0.29	0.64	1.04	1.39	1.21	1.11	1.08
Jumbos	0.76	0.30	0.32	0.74	1.10	1.50	1.33	1.21	1.17
Weekly change									
Savings	0.00	0.00	0.00	-0.08	0.01	0.01	-0.01	0.01	0.01
Jumbos	0.00	-0.03	0.00	-0.08	0.00	0.00	0.00	0.00	0.00

Consumer Savings Rates

Below are the top federally insured offers available nationwide according to Bankrate.com's weekly survey of highest yields. For latest offers and reviews of these financial institutions, please visit bankrate.com/banking/reviews. Information is believed to be reliable, but not guaranteed.

High yield savings

Bank / Phone number	Minimum	Yield (%)
Money market and savings account		
UFB Direct (877) 472-9200	$0	5.02
CFG Community Bank (888) 205-8388	$1,000	5.02
CIT Bank (855) 462-2652	$5,000	4.75
One-month CD		
VirtualBank (877) 998-2265	$10,000	2.48
Colorado Federal Savings Bank (877) 484-2372	$5,000	1.00
State Bank of India California (877) 707-1995	$1,000	0.50
Two-month CD		
VirtualBank (877) 998-2265	$10,000	2.74
Colorado Federal Savings Bank (877) 484-2372	$5,000	0.75
State Bank of India California (877) 707-1995	$1,000	0.50
Three-month CD		
Goldwater Bank (480) 281-8200	$5,000	4.25
Popular Direct (800) 274-5696	$10,000	4.10
Luana Savings Bank (800) 666-2012	$2,000	3.75
Six-month CD		
Vio Bank (888) 999-9170	$500	5.00
CIT Bank (855) 462-2652	$1,000	5.00
Rising Bank (888) 222-9484	$1,000	4.80
One-year CD		
CFG Community Bank (888) 205-8388	$500	5.20
Colorado Federal Savings Bank (877) 484-2372	$5,000	5.15
First Internet Bank of Indiana (888) 873-3424	$1,000	5.06
Two-year CD		
Sallie Mae Bank (877) 346-2756	$2,500	4.85
First Internet Bank of Indiana (888) 873-3424	$1,000	4.70
Merrick Bank (866) 638-6851	$25,000	4.70
Five-year CD		
GTE Financial Credit Union (U) (888) 871-2690	$500	4.54
CFG Community Bank (888) 205-8388	$500	4.50
Barclays Bank (888) 720-8756	$0	4.50

High yield jumbos - Minimum is $100,000

Bank / Phone number	Yield (%)
Money market and savings account	
CFG Community Bank (888) 205-8388	5.02
UFB Direct (877) 472-9200	5.02
BankPurely, a division of Flushing Bank (800) 581-2889	4.45
One-month CD	
VirtualBank (877) 998-2265	2.48
Colorado Federal Savings Bank (877) 484-2372	1.00
State Bank of India California (877) 707-1995	0.50
Two-month CD	
VirtualBank (877) 998-2265	2.74
Colorado Federal Savings Bank (877) 484-2372	0.75
State Bank of India California (877) 707-1995	0.50
Three-month CD	
Goldwater Bank (480) 281-8200	4.25
Popular Direct (800) 274-5696	4.10
Luana Savings Bank (800) 666-2012	3.91
Six-month CD	
CIT Bank (855) 462-2652	5.00
Vio Bank (888) 999-9170	5.00
Live Oak Bank (866) 518-0286	4.80
One-year CD	
CFG Community Bank (888) 205-8388	5.20
Colorado Federal Savings Bank (877) 484-2372	5.15
First Internet Bank of Indiana (888) 873-3424	5.06
Two-year CD	
Sallie Mae Bank (877) 346-2756	4.85
First Internet Bank of Indiana (888) 873-3424	4.70
Merrick Bank (866) 638-6851	4.70
Five-year CD	
GTE Financial Credit Union (U) (888) 871-2690	4.80
CFG Community Bank (888) 205-8388	4.50
Barclays Bank (888) 720-8756	4.50

Notes: Accounts are federally insured up to $250,000 per person. Yields are based on method of compounding and rate stated for the lowest required opening deposit to earn interest. CD figures are for fixed rates only. MMA: Allows six (6) third-party transfers per month, three (3) of which may be checks. Rates are subject to change.

Source: Bankrate.com, a publication of Bankrate, Inc., Palm Beach Gardens, FL 33410
Internet: www.bankrate.com

Cash Prices

Tuesday, April 11, 2023

These prices reflect buying and selling of a variety of actual or "physical" commodities in the marketplace—separate from the futures price on an exchange, which reflects what the commodity might be worth in future months.

	Tuesday
Energy	
Coal,C.Aplc.,12500Btu,1.2SO2-r,w	**94.350**
Coal,PwdrRvrBsn,8800Btu,0.8SO2-r,w	**14.850**
Metals	
Gold, per troy oz	
Engelhard industrial	**1999.00**
Handy & Harman base	**2002.70**
Handy & Harman fabricated	**2223.00**
LBMA Gold Price AM	***2017.25**
LBMA Gold Price PM	***2001.90**
Krugerrand,wholesale-e	**2094.39**
Maple Leaf-e	**2144.49**
American Eagle-e	**2144.49**
Mexican peso-e	**2585.62**
Austria crown-e	**1967.52**
Austria phil-e	**2104.41**
Silver, troy oz.	
Engelhard industrial	**25.0000**
Handy & Harman base	**25.0890**
Handy & Harman fabricated	**31.3610**
LBMA spot price	***£20.0100**
(U.S.$ equivalent)	***24.9350**
Coins,wholesale $1,000 face-a	**22408**
Other metals	
LBMA Platinum Price PM	***999.0**
Platinum,Engelhard industrial	**1005.0**
Palladium,Engelhard industrial	**1445.0**
Aluminum, LME, $ per metric ton	***2300.5**
Copper,Comex spot	**4.0245**
Iron Ore, 62% Fe CFR China-s	**n.a.**
Shredded Scrap, US Midwest-s,m	**n.a.**
Steel, HRC USA, FOB Midwest Mill-s	**n.a.**
Battery/EV metals	
BMI Lithium Carbonate, EXW China, =99.2%-v,w	**35525**
BMI Lithium Hydroxide, EXW China, =56.5% -v,w	**50025**
BMI Cobalt sulphate, EXW China, >20.5% -v,m	**6004**
BMI Nickel Sulphate, EXW China, >22%-v,m	**5402**
BMI Flake Graphite, FOB China, -100 Mesh, 94-95% -v,m	**745**
Fibers and Textiles	
Burlap,10-oz,40-inch NY yd-n,w	**0.7550**
Cotton,1 1/16 std lw-mdMphs-u	**0.8200**
Cotlook 'A' Index-t	***n.a.**
Hides,hvy native steers piece fob-u	**n.a.**
Wool,64s,staple,Terr del-u,w	**n.a.**

	Tuesday
Grains and Feeds	
Barley,top-quality Mnpls-u	**n.a.**
Bran,wheat middlings, KC-u,w	**145**
Corn,No. 2 yellow,Cent IL-bp,u	**6.4900**
Corn gluten feed,Midwest-u,w	**199.2**
Corn gluten meal,Midwest-u,w	**620.1**
Cottonseed meal-u,w	**368**
Hominy feed,Cent IL-u,w	**212**
Meat-bonemeal,50% pro Mnpls-u,w	**443**
Oats,No.2 milling,Mnpls-u	**3.7025**
Rice, Long Grain Milled, No. 2 AR-u,w	**37.50**
Sorghum,(Milo) No.2 Gulf-u	**n.a.**
SoybeanMeal,Cent IL,rail,ton48%-u,w	**476.00**
Soybeans,No.1 yllw IL-bp,u	**14.9400**
Wheat,Spring14%-pro Mnpls-u	**10.4725**
Wheat,No.2 soft red,St.Louis-u	**6.7050**
Wheat - Hard - KC (USDA) $ per bu-u	**9.1825**
Wheat,No.1soft white,Portld,OR-u	**7.6000**
Food	
Beef,carcass equiv. index	
choice 1-3,600-900 lbs.-u	**272.36**
select 1-3,600-900 lbs.-u	**258.69**
Broilers, National comp wtd. avg.-u,w	**1.3540**
Butter,AA Chicago-d	**2.3500**
Cheddar cheese,bbl,Chicago-d	**158.75**
Cheddar cheese,blk,Chicago-d	**179.00**
Milk,Nonfat dry,Chicago lb.-d	**n.a.**
Coffee,Brazilian,Comp-y	**1.9005**
Coffee,Colombian, NY-y	**2.2743**
Eggs,large white,Chicago-u	**2.2250**
Flour,hard winter KC-p	**22.70**
Hams,17-20 lbs,Mid-US fob-u	**0.62**
Hogs,Iowa-So. Minnesota-u	**72.16**
Pork bellies,12-14 lb MidUS-u	**n.a.**
Pork loins,13-19 lb MidUS-u	**0.9885**
Steers,Tex.-Okla. Choice-u	**n.a.**
Steers,feeder,Okla. City-u,w	**236.50**
Fats and Oils	
Degummed corn oil, crude wtd. avg.-u,w	**n.a.**
Grease,choice white,Chicago-h	**0.4850**
Lard,Chicago-u	**n.a.**
Soybean oil,crude;Centl IL-u,w	**0.5774**
Tallow,bleach;Chicago-h	**0.5100**
Tallow,edible,Chicago-u	**n.a.**

KEY TO CODES: A=ask; B=bid; BP=country elevator bids to producers; C=corrected; D=CME; E=Manfra,Tordella & Brookes; H=American Commodities Brokerage Co; K=bi-weekly; M=monthly; N=nominal; n.a.=not quoted or not available; P=Sosland Publishing; R=SNL Energy; S=Platts-TSI; T=Cotlook Limited; U=USDA; V=Benchmark Mineral Intelligence; W=weekly; Y=International Coffee Organization; Z=not quoted. *Data as of 4/10

Source: Dow Jones Market Data

In Memoriam

For more information: wsj.com/inmemoriam

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Jane Gould

NEW YORK, N.Y. - Jane Mack Gould, whose business acumen expanded opportunities for women on Wall Street, passed away peacefully on September 10, 2022, in New York City.

A graduate 'with distinction' from the Harvard-Radcliffe Program in Business Administration in 1961, Ms. Gould began her career in finance as a research assistant at Smith Barney & Company, one of the few companies hiring women in research roles at that time. In 1965 she joined Donaldson, Lufkin & Jenrette (DLJ) as an oil industry analyst and advanced to become one of the first female portfolio managers on Wall Street. Later she served on the main board of directors of DLJ.

For most of her career Ms. Gould worked at Alliance Capital Management which originated as DLJ's asset management arm. There she became a role model and mentor to numerous women . . . and men, many of whom credited her significant contribution to their advancement.

At Alliance she is remembered as a commanding and intelligent presence, demanding and receiving the best from her colleagues. Her work ethic, integrity, performance and fierce client loyalty were legendary.

Ms. Gould was a former trustee of the Institute of Chartered Financial Analysts, as well as a member of the original ERISA Board for Welfare and Pension Benefit Plans. She served on the Investment Policy Committee of the Smithsonian Institution as well as several corporate boards.

Born April 27, 1938, in Washington, DC, Ms. Gould was raised in Bethesda, MD. She attended Mount Holyoke College before transferring to Duke University, where she graduated Phi Beta Kappa with a bachelor of arts in English in 1960.

Ms. Gould was preceded in death by her parents, Mr. and Mrs. Charles J. Mack, her sister Judy Mack Magee and brother-in-law Harrison R. Magee, and her husband Stephen Hill Reynolds. She is survived by her niece, Susan Magee Kajfez (Matthew), grandnieces and grandnephews.

A long-time resident of both New York City and Southampton, New York, Ms. Gould provided substantial charitable support within her communities to a variety of causes. Notably she was an Honorary Trustee of myFace (The National Foundation for Facial Reconstruction) where she was also a major donor.

MARKETS DIGEST

EQUITIES

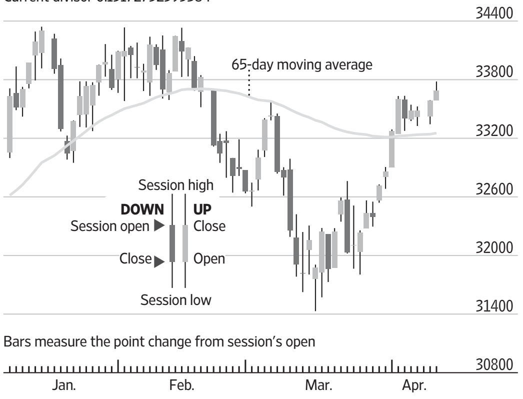
Dow Jones Industrial Average

33684.79 ▲98.27, or 0.29%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio	22.39	19.01
P/E estimate *	17.81	18.07
Dividend yield	2.08	2.07
All-time high	36799.65, 01/04/22	

Current divisor 0.15172752595384



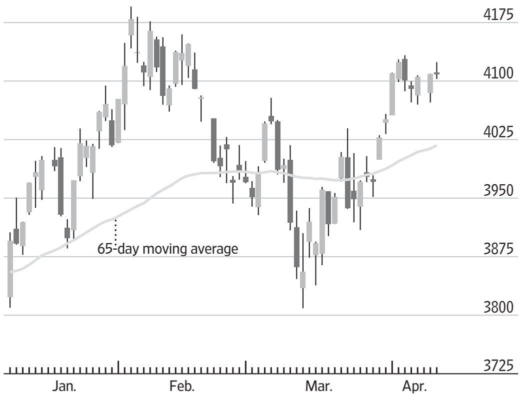
Bars measure the point change from session's open

S&P 500 Index

4108.94 ▼0.17, or 0.004%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *	18.12	24.91
P/E estimate *	18.54	19.97
Dividend yield *	1.69	1.40
All-time high	4796.56, 01/03/22	

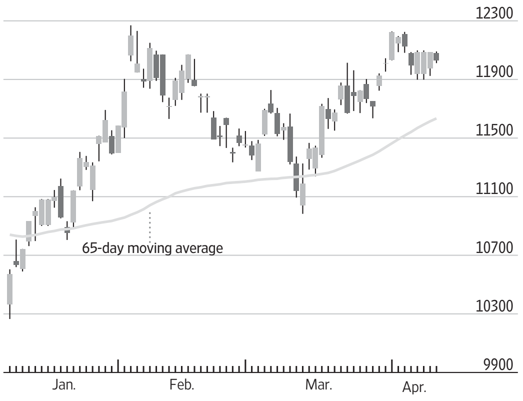


Nasdaq Composite Index

12031.88 ▼ 52.48, or 0.43%

High, low, open and close for each trading day of the past three months.

	Last	Year ago
Trailing P/E ratio *†	26.34	32.71
P/E estimate *†	25.72	25.62
Dividend yield *†	0.85	0.71
All-time high:	16057.44, 11/19/21	



* Weekly P/E data based on as-reported earnings from Birinyi Associates Inc.; † Based on Nasdaq-100 Index

Major U.S. Stock-Market Indexes

	Latest High	Latest Low	Latest Close	Net chg	% chg	52-Week High	52-Week Low	% chg	% chg YTD	% chg 3-yr. ann.
Dow Jones										
Industrial Average	33781.29	33586.75	33684.79	98.27	0.29	35160.79	28725.51	-1.6	1.6	14.1
Transportation Avg	14411.14	14208.46	14360.78	163.12	1.15	15640.70	11999.40	-1.4	7.2	22.4
Utility Average	973.66	966.06	971.03	1.00	0.10	1071.75	838.99	-8.6	0.4	8.6
Total Stock Market	41216.28	40973.11	41059.29	41.29	0.10	45125.57	36056.21	-7.5	6.6	13.5
Barron's 400	929.21	918.85	925.49	6.64	0.72	1023.82	825.73	-6.0	0.6	16.7
Nasdaq Stock Market										
Nasdaq Composite	12091.27	12011.40	12031.88	-52.48	-0.43	13643.59	10213.29	-10.0	15.0	13.8
Nasdaq-100	13049.56	12947.66	12964.15	-87.08	-0.67	14217.29	10679.34	-7.0	18.5	16.3
S&P										
500 Index	4124.26	4102.61	4108.94	-0.17	-0.004	4462.21	3577.03	-6.6	7.0	13.8
MidCap 400	2509.70	2483.85	2499.33	22.14	0.89	2726.61	2200.75	-4.0	2.8	16.4
SmallCap 600	1178.89	1166.49	1172.38	8.53	0.73	1315.82	1064.45	-7.8	1.3	16.4
Other Indexes										
Russell 2000	1794.45	1776.90	1786.59	14.15	0.80	2038.19	1649.84	-10.1	1.4	12.7
NYSE Composite	15567.28	15427.18	15520.92	93.74	0.61	16761.35	13472.18	-5.7	2.2	11.7
Value Line	559.18	552.22	556.97	4.75	0.86	634.20	491.56	-9.9	3.8	12.6
NYSE Arca Biotech	5375.15	5334.20	5350.69	13.76	0.26	5644.50	4208.43	4.1	1.3	4.2
NYSE Arca Pharma	874.16	869.44	869.90	-1.37	-0.16	884.84	737.84	0.5	0.2	12.4
KBW Bank	82.54	81.07	82.12	1.04	1.28	121.20	78.06	-30.5	-18.6	3.0
PHLX§ Gold/Silver	140.76	138.26	139.04	1.68	1.23	167.76	91.40	-15.2	15.0	12.3
PHLX§ Oil Service	82.61	80.65	82.18	1.37	1.70	93.94	56.08	0.1	-2.0	42.6
PHLX§ Semiconductor	3146.00	3104.38	3109.42	-17.55	-0.56	3230.86	2162.32	2.0	22.8	24.7
Cboe Volatility	19.28	18.56	19.10	0.13	0.69	34.75	17.87	-21.3	-11.9	-22.9

§ Nasdaq PHLX

Sources: FactSet; Dow Jones Market Data

Late Trading

Most-active and biggest movers among NYSE, NYSE Arca, NYSE Amer. and Nasdaq issues from 4 p.m. to 6 p.m. ET as reported by electronic trading services, securities dealers and regional exchanges. Minimum share price of $2 and minimum after-hours volume of 50,000 shares.

Most-active issues in late trading

Company	Symbol	Volume (000)	After Hours Last	Net chg	% chg	High	Low
SPDR S&P 500 ETF Trust	SPY	7,346.3	409.71	-0.01	-0.002	432.99	384.18
iShares China LC ETF	FXI	4,682.4	29.22	0.01	0.03	29.30	29.18
Apple	AAPL	3,383.0	160.65	-0.15	-0.09	161.40	150.10
Uniti Group	UNIT	3,197.7	3.32	0.04	1.22	3.33	3.20
Amcor	AMCR	3,025.5	11.20	0.21	1.91	11.20	10.98
Invesco QQQ Trust I	QQQ	2,763.0	315.70	-0.13	-0.04	333.59	268.00
Bausch Health	BHC	2,705.4	7.68	0.06	0.79	7.68	7.61
Charles Schwab	SCHW	2,518.6	51.75	0.04	0.08	51.90	51.56

Percentage gainers...

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Horizon Acqn II Cl A	HZON	67.2	11.30	1.25	12.44	11.49	10.19
Protalix BioTherapeutics	PLX	178.0	2.50	0.15	6.38	2.54	2.32
Atara Biotherapeutics	ATRA	127.2	2.72	0.13	5.02	2.72	2.59
Chart Industries	GTLS	187.8	118.00	5.60	4.98	119.39	110.66
Haemonetics	HAE	65.6	88.00	3.98	4.74	88.00	84.02

...And losers

Company	Symbol	Volume (000)	Last	Net chg	% chg	High	Low
Xponential Fitness	XPOF	128.5	30.60	-1.09	-3.44	32.59	30.60
Everbridge	EVBG	52.4	30.99	-0.99	-3.10	31.98	30.99
Chubb	CB	188.1	192.05	-6.03	-3.04	198.70	192.05
CareTrust REIT	CTRE	141.4	19.55	-0.61	-3.03	20.16	19.55
WW International	WW	1,269.0	6.36	-0.19	-2.90	6.65	6.01

Trading Diary

Volume, Advancers, Decliners

	NYSE	NYSE Amer.
Total volume*	809,976,325	10,255,722
Adv. volume*	622,358,855	8,402,320
Decl. volume*	172,006,053	1,613,232
Issues traded	3,127	315
Advances	2,218	181
Declines	787	116
Unchanged	122	18
New highs	48	10
New lows	20	8
Closing Arms†	0.81	0.36
Block trades*	4,062	106

	Nasdaq	NYSE Arca
Total volume*	4,676,966,194	240,207,309
Adv. volume*	3,009,483,222	194,528,537
Decl. volume*	1,611,058,957	40,857,277
Issues traded	4,734	1,748
Advances	2,653	1,378
Declines	1,781	341
Unchanged	300	29
New highs	71	24
New lows	120	10
Closing Arms†	0.80	1.05
Block trades*	35,754	1,225

* Primary market NYSE, NYSE American NYSE Arca only.
† (TRIN) A comparison of the number of advancing and declining issues with the volume of shares rising and falling. An Arms of less than 1 indicates buying demand; above 1 indicates selling pressure.

International Stock Indexes

Region/Country	Index	Close	Latest Net chg	Latest % chg	YTD % chg
World	MSCI ACWI	648.35	2.78	0.43	7.1
	MSCI ACWI ex-USA	301.18	3.16	1.06	7.1
	MSCI World	2797.07	10.87	0.39	7.5
	MSCI Emerging Markets	996.25	7.57	0.77	4.2
Americas	MSCI AC Americas	1559.89	1.986	0.13	7.0
Canada	S&P/TSX Comp	20421.85	146.03	0.72	5.3
Latin Amer.	MSCI EM Latin America	2265.19	84.304	3.87	6.4
Brazil	BOVESPA	106213.76	4367.12	4.29	−3.2
Chile	S&P IPSA	3150.80	15.52	0.50	−0.7
Mexico	S&P/BMV IPC	54604.63	529.88	0.98	12.7
EMEA	STOXX Europe 600	461.79	2.85	0.62	8.7
Eurozone	Euro STOXX	458.98	2.75	0.60	12.0
Belgium	Bel-20	3817.13	10.07	0.26	3.1
Denmark	OMX Copenhagen 20	1998.99	10.93	0.55	8.9
France	CAC 40	7390.28	65.53	0.89	14.2
Germany	DAX	15655.17	57.28	0.37	12.4
Israel	Tel Aviv	1740.41	...		−3.1
Italy	FTSE MIB	27525.51	311.65	1.15	16.1
Netherlands	AEX	763.32	3.48	0.46	10.8
Norway	Oslo Bors All-Share	1372.78	13.96	1.03	0.7
South Africa	FTSE/JSE All-Share	77990.54	876.84	1.14	6.8
Spain	IBEX 35	9237.70	−74.60	−0.80	12.3
Sweden	OMX Stockholm	843.88	13.43	1.62	7.9
Switzerland	Swiss Market	11265.30	35.23	0.31	5.0
Turkey	BIST 100	5124.25	31.94	0.63	−7.0
U.K.	FTSE 100	7785.72	44.16	0.57	4.5
U.K.	FTSE 250	18956.05	159.02	0.85	0.5
Asia-Pacific	MSCI AC Asia Pacific	162.09	1.23	0.76	4.1
Australia	S&P/ASX 200	7309.90	90.92	1.26	3.9
China	Shanghai Composite	3313.57	−1.79	−0.05	7.3
Hong Kong	Hang Seng	20485.24	154.04	0.76	3.6
India	S&P BSE Sensex	60157.72	311.21	0.52	−1.1
Japan	NIKKEI 225	27923.37	289.71	1.05	7.0
Singapore	Straits Times	3297.83	3.40	0.10	1.4
South Korea	KOSPI	2547.86	35.78	1.42	13.9
Taiwan	TAIEX	15913.88	37.71	0.24	12.6
Thailand	SET	1597.10	3.97	0.25	−4.3

Sources: FactSet; Dow Jones Market Data

Percentage Gainers...

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
WW International	WW	6.55	2.43	58.98	11.03	3.28	-35.0
Brookdale Senior Living	BKD	3.95	0.97	32.55	7.61	2.27	-44.6
Tempest Therapeutics	TPST	3.47	0.82	30.94	4.42	1.06	-0.9
Avalo Therapeutics	AVTX	3.10	0.72	30.25	8.15	1.41	-60.9
Kura Sushi USA	KRUS	72.97	15.94	27.95	96.60	30.95	42.2
Multi Ways Holdings	MWG	7.29	1.59	27.89	16.33	3.00	...
Kala Pharmaceuticals	KALA	17.04	3.18	22.94	56.72	3.54	-61.7
AMTD Digital ADR	HKD	8.50	1.57	22.66	2555.30	6.60	...
Eledon Pharmaceuticals	ELDN	2.47	0.45	22.28	3.95	1.68	-23.3
Ebix	EBIX	18.43	3.33	22.05	33.56	11.75	-42.4
Cognyte Software	CGNT	4.05	0.64	18.77	8.39	2.31	-43.1
Annovis Bio	ANVS	14.81	2.29	18.29	23.91	8.39	22.2
DermTech	DMTK	4.35	0.67	18.21	13.11	1.55	-65.0
GOL Linhas Aereas ADR	GOL	2.82	0.43	17.99	7.41	2.00	-60.3
RumbleON Cl B	RMBL	9.09	1.35	17.44	29.12	5.45	-62.7

Percentage Losers

Company	Symbol	Latest Session Close	Net chg	% chg	52-Week High	Low	% chg
Professional Diversity	IPDN	2.90	-3.71	-56.13	7.77	0.92	68.3
GlucoTrack	GCTK	1.96	-1.24	-38.75	3.75	0.21	-31.7
Kalera	KAL	1.71	-0.98	-36.43	1478.00	1.31	-99.8
Altamira Therapeutics	CYTO	1.32	-0.75	-36.23	30.60	1.17	-94.2
Blackboxstocks	BLBX	2.43	-0.89	-26.82	22.00	1.04	-80.2
urban-gro	UGRO	1.72	-0.62	-26.50	9.63	1.70	-79.9
Blue Safari Group Cl A	BSGA	8.76	-2.99	-25.45	14.75	7.56	-12.9
Office Properties Incm	OPI	8.73	-2.82	-24.42	25.53	8.46	-63.7
Adtran Holdings	ADTN	11.51	-3.60	-23.83	25.47	10.62	-35.0
Uxin ADR	UXIN	1.89	-0.55	-22.54	10.70	1.75	-79.3
Heartbeam	BEAT	1.83	-0.52	-22.13	6.74	1.12	9.6
Agile Therapeutics	AGRX	8.17	-2.16	-20.91	556.00	7.78	-97.8
Can-Fite Biopharma ADR	CANF	1.75	-0.45	-20.45	11.70	1.57	-83.9
Amesite	AMST	3.16	-0.64	-16.84	12.60	1.56	-51.2
Citizens Cl A	CIA	3.01	-0.57	-15.92	4.52	1.93	-29.2

Most Active Stocks

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
Bed Bath Beyond	BBBY	182,930	119.5	0.31	5.98	30.00	0.29
Mullen Automotive	MULN	171,778	-31.6	0.11	2.42	2.71	0.09
Exela Technologies	XELA	120,950	-26.2	0.04	12.34	8.54	0.03
Tesla	TSLA	115,271	-32.6	186.79	1.24	364.07	101.81
National CineMedia	NCMI	109,665	3774.5	0.21	54.96	2.57	0.10
ProShares UltraPro QQQ	TQQQ	103,258	-43.1	26.84	-1.94	50.98	16.10
IMAC Holdings	BACK	92,002	49321.4	0.19	50.04	1.28	0.10
Innovative Eyewear	LUCY	88,094	5604.8	4.40	201.37	7.00	0.70
ProSh UltraPro Shrt QQQ	SQQQ	87,529	-37.0	30.88	1.95	69.55	29.18
ProSh Ult Bbg Nat Gas	BOIL	77,456	24.8	3.61	4.34	140.50	2.96

* Volumes of 100,000 shares or more are rounded to the nearest thousand

Volume Movers

Ranked by change from 65-day average*

Company	Symbol	Volume (000)	% chg from 65-day avg	Latest Session Close	% chg	52-Week High	Low
BondBloxx Bbg 6M US Trea	XHLF	5,280	7514	50.17	...	50.36	49.99
Avantis US SC Equity	AVSC	1,835	7390	43.74	0.93	49.70	39.33
KraneSh EM Cons Tech	KEMQ	868	5768	14.90	0.38	17.78	11.11
IQ MacKay ESG Core Pl Bd	ESGB	502	5161	21.17	-0.31	22.88	19.97
WT Voya Yd Enh USD	UNIY	1,538	4135	49.72	-0.10	50.05	48.14
IQ Chaikin US Small Cap	CSML	462	3732	31.34	0.56	35.73	28.70
iSh Cybersecurity Tech	IHAK	1,859	2544	35.49	-0.22	43.17	31.29
Columbia Res Enh Core	RECS	1,891	2516	24.22	0.39	25.84	20.95
IQ Candriam ESG US LC	IQSU	392	2378	35.02	-0.08	38.69	30.39
Edify Acquisition Cl A	EAC	175	2373	10.26	0.29	10.50	9.78

* Common stocks priced at $2 a share or more with an average volume over 65 trading days of at least 5,000 shares †Has traded fewer than 65 days

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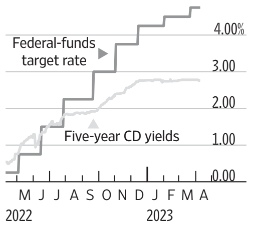
CREDIT MARKETS

Consumer Rates and Returns to Investor

U.S. consumer rates

A consumer rate against its benchmark over the past year



Selected rates

5-year CDs

Bankrate.com avg†:	2.76%
Barclays Bank	4.30%
Wilmington, DE	888-720-8756
Quontic Bank	4.30%
New York, NY	(800) 908-6600
FinWise Bank	4.32%
Murray, UT	(801) 545-6000
First Internet Bank of Indiana	4.49%
Indianapolis, IN	888-873-3424
CFG Community Bank	4.50%
Baltimore, MD	888-205-8388

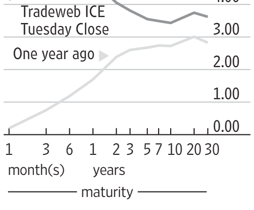
Interest rate	Yield/Rate (%) Last	Week ago	52-Week Range (%) Low	High	3-yr chg (pct pts)
Federal-funds rate target	4.75-5.00	4.75-5.00	0.25	5.00	4.75
Prime rate*	8.00	8.00	3.50	8.00	4.75
Libor, 3-month	5.24	5.22	1.04	5.24	4.02
Money market, annual yield	0.49	0.48	0.07	0.49	0.17
Five-year CD, annual yield	2.76	2.78	0.49	2.79	1.88
30-year mortgage, fixed†	6.97	6.82	5.12	7.41	3.28
15-year mortgage, fixed†	6.18	6.10	4.31	6.53	2.93
Jumbo mortgages, $726,200-plus†	7.05	6.88	5.10	7.44	3.29
Five-year adj mortgage (ARM)†	5.67	5.65	3.42	5.82	2.20
New-car loan, 48-month	6.92	6.92	3.98	6.92	2.66

Bankrate.com rates based on survey of over 4,800 online banks. *Base rate posted by 70% of the nation's largest banks.† Excludes closing costs.

Sources: FactSet; Dow Jones Market Data; Bankrate.com

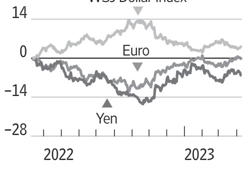
Treasury yield curve

Yield to maturity of current bills, notes and bonds



Forex Race

Yen, euro vs. dollar; dollar vs. major U.S. trading partners



Sources: Tradeweb ICE U.S. Treasury Close; Tullett Prebon; Dow Jones Market Data

Corporate Borrowing Rates and Yields

Bond total return index	Close	Yield (%) Last	Week ago	52-Week High	Low	Total Return (%) 52-wk	3-yr
U.S. Treasury, Bloomberg	2163.570	3.780	3.660	4.560	2.620	−1.892	−4.102
U.S. Treasury Long, Bloomberg	3389.680	3.710	3.690	4.570	2.930	−9.434	−11.201
Aggregate, Bloomberg	2018.710	4.360	4.240	5.210	3.190	−1.885	−2.900
Fixed-Rate MBS, Bloomberg	1995.030	4.490	4.330	5.380	3.300	−2.057	−3.323
High Yield 100, ICE BofA	3251.489	7.825	7.806	8.753	6.109	−0.137	4.400
Muni Master, ICE BofA	576.138	2.835	2.924	3.936	2.419	2.858	0.598
EMBI Global, J.P. Morgan	788.694	7.632	7.567	9.159	6.331	−2.623	0.018

Sources: J.P. Morgan; Bloomberg Fixed Income Indices; ICE Data Services

CURRENCIES & COMMODITIES

Currencies

U.S.-dollar foreign-exchange rates in late New York trading

Country/currency	Tues in US$	Tues per US$	US$ vs, YTD chg (%)
Americas			
Argentina peso	.0047	213.7797	21.0
Brazil real	.1998	5.0060	−5.3
Canada dollar	.7426	1.3466	−0.6
Chile peso	.001235	809.45	−4.6
Colombia peso	.000222	4512.32	−6.94
Ecuador US dollar	1	1	unch
Mexico peso	.0550	18.1764	−6.7
Uruguay peso	.02585	38.6800	−3.2
Asia-Pacific			
Australia dollar	.6655	1.5026	2.4
China yuan	.1452	6.8870	−0.2
Hong Kong dollar	.1274	7.8500	0.6
India rupee	.01219	82.065	−0.8
Indonesia rupiah	.0000670	14915	−4.2
Japan yen	.007479	133.70	2.0
Kazakhstan tenge	.002217	451.10	−2.5
Macau pataca	.1236	8.0910	0.5
Malaysia ringgit	.2263	4.4185	0.3
New Zealand dollar	.6192	1.6150	2.6
Pakistan rupee	.00346	288.750	27.4
Philippines peso	.0182	55.062	−1.1
Singapore dollar	.7504	1.3326	−0.6
South Korea won	.0007562	1322.46	4.8
Sri Lanka rupee	.0031282	319.67	−13.0
Taiwan dollar	.03276	30.522	−0.4
Thailand baht	.02917	34.280	−1.0
Vietnam dong	.00004264	23450	−0.8
Europe			
Czech Rep. koruna	.04649	21.508	−4.7
Denmark krone	.1465	6.8282	−1.7
Euro area euro	1.0914	.9163	−1.9
Hungary forint	.002902	344.62	−7.7
Iceland krona	.007309	136.81	−3.3
Norway krone	.0947	10.5551	7.6
Poland zloty	.2338	4.2771	−2.3
Russia ruble	.01233	81.100	10.0
Sweden krona	.0956	10.4565	0.2
Switzerland franc	1.1069	.9034	−2.3
Turkey lira	.0519	19.2853	3.2
Ukraine hryvnia	.0271	36.9500	0.3
UK pound	1.2426	.8048	−2.6
Middle East/Africa			
Bahrain dinar	2.6595	.3760	−0.3
Egypt pound	.0325	30.7995	24.4
Israel shekel	.2732	3.6604	3.8
Kuwait dinar	3.2617	.3066	0.2
Oman sul rial	2.5976	.3850	−0.01
Qatar rial	.2747	3.641	−0.7
Saudi Arabia riyal	.2666	3.7514	−0.2
South Africa rand	.0544	18.3754	7.9

	Close	Net Chg	% Chg	YTD % Chg
WSJ Dollar Index	96.12	−0.21	−0.22	−0.45

Sources: Tullett Prebon, Dow Jones Market Data

Commodities

	Close	Tuesday Net chg	% Chg	52-Week High	Low	% Chg	YTD % chg
DJ Commodity	1019.56	9.35	0.93	1251.61	967.84	-15.00	-2.78
Refinitiv/CC CRB Index	274.73	3.04	1.12	329.59	254.03	-9.29	-1.09
Crude oil, $ per barrel	81.53	1.79	2.24	122.11	66.74	-18.96	1.58
Natural gas, $/MMBtu	2.186	0.014	0.64	9.680	1.991	-67.28	-51.15
Gold, $ per troy oz.	2004.80	15.70	0.79	2022.20	1623.30	1.66	10.17

Blue Owl Eyes Secondary Market

By Chris Cumming

Blue Owl Capital Inc. is moving into the private-equity secondary market, aiming to expand its menu of offerings as a service provider to other alternative-asset managers while also building a portfolio of blue-chip companies.

The New York firm said on Tuesday that it hired Chris Crampton from Goldman Sachs Group Inc. to lead a new business focusing on continuation funds, a type of private-equity secondary transaction that allows asset managers to extend the length of time they own their best assets. Mr. Crampton left Goldman, where he was a partner at the merchant bank, at the end of last year.

Blue Owl's new unit plans to raise money from both institutional and individual investors, the firm said in a news release.

Private-equity secondaries should be a natural fit with Blue Owl's other investment strategies, said firm co-founder and co-president Marc Lipschultz.

The firm already lends money to finance buyout deals and buys stakes in asset managers themselves. Secondaries will be a different way of providing buyout firms with the capital they need, he said.

"This is ever more in demand with the [general partners] we do business with," Mr. Lipschultz said, adding that there is currently a "very distinct deficit of capital" available to finance continuation-fund transactions.

Blue Owl, which manages about $138 billion, was formed in 2021 through the merger via a so-called blank-check company of Dyal Capital Partners, a pioneer of so-called GP-stakes investing, and Owl Rock Capital Partners, a private-credit manager.

Later that year, the firm expanded into real estate through the acquisition of Oak Street Real Estate Capital LLC.

Blue Owl will target investments in single-asset continuation vehicles, a type of fund whose popularity has been steadily growing in recent years.

Last year, the share of single-asset secondary deals within the total GP-led segment of the market increased by about 4% to nearly half the total, or about $21 billion in deal volume, according to a report earlier this year by private markets advisory firm Campbell Lutyens.

The new unit plans to raise money from both institutional and individual investors.

In this type of transaction, a manager strips out a top-performing investment from an aging fund and rolls it over into a new vehicle. The goal is to allow fund managers to capture additional long-term upside of their best assets, rather than having to sell them to return money to fund investors.

These transactions typically give investors in the old fund a choice to hold on to their investment or cash out. Firms such as Blue Owl step in to buy from the investors who cash out, in the process—fund managers hope—acquiring stakes in top-performing private companies.

"There is a tremendous opportunity to create a platform to invest in the companies these firms deem their very best," said Mr. Lipschultz. The goal is to build a portfolio of "best-in-breed companies in a wide range of different sponsors' portfolios," he said.

Mr. Lipschultz said the current private-equity market is particularly favorable for the growth of continuation funds. Some institutions that invest in private equity need liquidity and want fund managers to sell assets and return money to them. But the market for selling private-equity assets has been weak for roughly the past year, and fund managers are disinclined to sell their best companies when they are unlikely to get top dollar for them.

Continuation funds are a way out of this dilemma, giving investors access to liquidity without forcing fund managers to sell prematurely, said Mr. Lipschultz.

Fund managers "are trying to strike a balance between wanting exits and holding on to great assets," he said. "In a much less active [exit] market, there is more of a need for a new kind of solution to that problem."

He said Blue Owl is in the process of staffing up the new business and expects to make more hires.

Mr. Crampton spent nearly 20 years at Goldman, investing across a range of strategies including private equity, growth, infrastructure and private credit, Blue Owl said.

Swedish Pension Fund CEO Departs

By Caitlin McCabe

Alecta's chief executive is stepping down after the Swedish pension fund lost nearly $2 billion in March from its bad bets on U.S. lenders including **Silicon Valley Bank**.

Alecta managed nearly $115 billion of assets as of March 10 and says it is Europe's fifth-largest workplace pension company. It was hit hard by the U.S. banking crisis last month due to stakes in SVB, Signature Bank and First Republic Bank.

Magnus Billing, CEO since 2016, will leave immediately, the company said Tuesday. The board made the decision following discussions about "how trust can be restored."

SVB and Signature Bank were shut down following swift crises of confidence, wiping out shareholders. First Republic's stock has cratered 88% this year, despite an emergency infusion of $30 billion in deposits from banks including JPMorgan Chase.

In March, Alecta said its investments in SVB and Signature totaled around 12.1 billion Swedish krona, or about $1.16 billion today, while it had invested some $927 million in First Republic.

"The losses have seriously damaged confidence in Alecta's asset management," the company said on Tuesday.

Alecta said its new acting head of equity would review its equity management.

Last week, Alecta also vowed to cut risk in large single-stock positions, with a focus on its concentration in U.S. holdings.

Mr. Billing's ouster follows other personnel changes last week. Deputy CEO Katarina Thorslund will stand in for Mr. Billing until a permanent replacement is found.

Bitcoin Reaches A 10-Month High

By Elaine Yu

Bitcoin, the world's largest cryptocurrency, climbed above $30,000 to hit its highest level in 10 months.

Last year, cryptocurrencies sank alongside other higher-risk assets as the Federal Reserve aggressively raised interest rates to fight inflation. The collapse of the digital exchange FTX and other crypto companies also weighed on digital-asset prices.

But the recent banking crisis in the U.S. has boosted appetite for the digital currency, which proponents say is an alternative to the traditional banking system.

More investors see bitcoin as a haven during highly uncertain market conditions, said Alex Adelman, chief executive of **Lolli**, a bitcoin rewards company.

There is also not much liquidity in the market, so it doesn't take much to push up bitcoin's price, said Mike van Rossum, founder of crypto-trading firm Folkvang.

Data through Monday showed that the number of bitcoin buyers and sellers was roughly half of its level in late October, ahead of the collapse of crypto exchange FTX, according to Kaiko.

When markets have fewer traders, it can lead to outsize moves—higher and lower.

Shares of some crypto-related stocks also are getting a boost.

Price of one bitcoin

Source: CoinDesk

Banking turmoil has boosted appetite for the digital currency.

Shares of **Coinbase Global**, the leading U.S. crypto exchange, gained 6.1%, or $4.06, to close at $70.19. They have roughly doubled this year, but are still below their 2023 closing high near $84, according to Dow Jones Market Data.

Meanwhile, **MicroStrategy**—which bought bitcoin during the recent banking turmoil—was up, gaining 6.3%.

At 5 p.m. ET on Tuesday, bitcoin traded at $30172.56, up $1061.34, or 3.65%, according to CoinDesk. The digital token has surged after ending last year around $16,549.

The last time bitcoin traded above $30,000 was on June 10, when it reached an intraday high of $30,286.16, according to Dow Jones Market Data. Based on end-of-day trading levels in New York, it hasn't settled above $30,000 since last June.

New Highs and Lows

The following explanations apply to the New York Stock Exchange, NYSE Arca, NYSE American and Nasdaq Stock Market stocks that hit a new 52-week intraday high or low in the latest session. **% CHG**-Daily percentage change from the previous trading session.

Tuesday, April 11, 2023

Highs

Stock	Sym	52-Wk Hi/Lo	% Chg
ARBIOT	ARBB	4.20	5.7
AlamosGold	AGI	13.46	1.1
AldeyraTherap	ALDX	10.81	0.6
AllianzIMUSLCBuffer20Mar	MARW	25.59	0.1
Alphatec	ATEC	16.52	1.6
AngloGoldAsh	AU	27.33	0.4
ApolloStratII A	APGB	10.28	-0.2
AriszAcqnA	ARIZ	10.35	0.3
AsureSoftware	ASUR	15.66	-0.3
AultDisruptive	ADRT.U	10.48	0.9
AvitaMedical	RCEL	15.98	7.6
BcoSantMex	BSMX	6.88	1.8
BellerophonTherap	BLPH	12.58	11.6
BellRing	BRBR	35.40	-3.7
BlueSafariRt	BSGAR	0.79	4.8
BrookdaleSrUn	BKDT	59.89	29.3
Bruker	BRKR	80.60	0.9
BuildersFirst	BLDR	92.69	4.2
CadenceDesign	CDNS	214.95	0.1
CarrolsRestr	TAST	3.14	5.9
CetusCapitalAcqnRt	CETUR	0.23	4.5
CetusCapitalAcqn	CETU	10.69	-0.1
Chemed	CHE	563.08	1.6
CitigrpCapXIIIPf	CpN	29.29	0.7
Coca-Cola Femsa	KOF	84.55	0.7
ConcordAcqnIII	CNDB.U	10.46	0.4
CoreMoldingTech	CMT	18.89	1.0
Corvel	CRVL	196.79	0.4
CraneNXT	CXT	46.16	2.7
Cvent	CVT	8.45	-0.1
Daktronics	DAKT	5.79	0.5
DeckersOutdoor	DECK	460.88	-0.2
elfBeauty	ELF	85.60	0.2
Ecovyst	ECVT	11.74	6.1
eMagin	EMAN	2.49	7.9
EnsignGroup	ENSG	100.29	0.7
EverestConsol	MNTN.U	10.54	0.1
Eyenovia	EYEN	4.18	6.0
FSD Pharma	HUGE	1.97	1.6
FTI Consulting	FCN	204.19	...
FederatedHermes	FHI	42.20	4.8
Ferrari	RACE	275.63	0.5
FinStrategiesA	FXCO	10.60	0.7
FiveBelow	FIVE	219.70	0.2
GSRIIMeteoraA	GSRM	11.15	-0.4
GalataAcqn	GLTA	10.43	...
GalianoGold	GAU	0.69	5.2
GatosSilver	GATO	7.49	8.0
GenieEnergy	GNE	15.93	1.6
GeospaceTech	GEOS	8.64	1.2
GoldenbridgeRt	GBRGR	0.49	9.3
GpoAeroportSur	ASR	314.48	-0.8
HealthStream	HSTM	27.35	0.3
HorizonSpaceI	HSPO	10.24	0.1
IVERICbio	ISEE	27.79	1.4
Imax	IMAX	21.27	0.3
InnovativeEyeWt	LUCYW	1.30	188.4
IntegralAd	IAS	15.91	-0.1
IntlMediaAcqn	IMAQU	10.62	3.1
inTEST	INTT	21.55	2.5
Intevac	IVAC	7.54	2.8
KhoslaVentures	KVSA	10.19	...
LatAmGrowthA	LATG	10.90	0.4
LibertyBraves A	BATRA	36.69	0.5
LibertyBraves C	BATRK	35.57	0.5
Limbach	LMB	17.99	1.6
MSG Sports	MSGS	198.52	2.2
MagellanMid	MMP	55.34	1.1
MaquiaCapital	MAQC	10.71	0.3
Masimo	MASI	190.69	1.2
MaxeonSolar	MAXN	29.48	2.9
McDonald's	MCD	285.54	0.2
McEwenMining	MUX	9.70	2.7
MeritMedical	MMSI	77.15	1.4
MeritageHomes	MTH	119.90	3.0
NewJerseyRscs	NJR	55.70	0.3
OReillyAuto	ORLY	878.24	0.1
OcuphirePharma	OCUP	5.70	0.7
OverseasShip	OSG	4.02	3.3
PG&E	PCG	16.86	0.2
PG&EUn	PCGU	147.35	0.2
POSCO	PKX	75.50	0.3
PPG Ind	PPG	141.26	0.7
PatriotTransport	PATI	9.02	6.4
Penumbra	PEN	286.68	2.8
PermianBasin	PBT	27.77	-3.0
PerpetuaRscs	PPTA	5.02	1.0
PerspectiveTherap	CATX	0.70	-0.5
Potbelly	PBPB	9.40	10.5
Progressive	PGR	149.87	-0.3
ProtalixBio	PLX	2.35	4.4
RadNet	RDNT	27.37	3.4
RedRobin	RRGB	15.87	4.6
ReneoPharm	RPHM	6.75	12.2
RileyExpln	REPX	47.79	3.9
SanaraMedTech	SMTI	50.18	-0.1
SilvercorpMetals	SVM	4.08	1.8
SiriusPoint	SPNT	8.40	1.0
SoloBrands	DTC	8.36	-1.2
SpokHoldings	SPOK	12.36	-0.7
SportsMapTech	SMAPU	10.43	-0.8
Stevanato	STVN	27.23	3.3
Stryker	SYK	292.20	0.8
Symbotic	SYM	29.00	7.3
TG Therap	TGTX	22.91	15.4
TexasRoadhouse	TXRH	112.97	1.6
Tingo	TIO	1.42	6.2
TractorSupply	TSCO	242.27	0.6
TrajectoryAlphaA	TCOA	10.31	...
TreeHouseFoods	THS	52.48	...
TriPointe	TPH	25.95	2.6
UWM	UWMC	5.47	-1.5
UnitedInsurance	UIHC	3.36	9.6
VOXX Intl	VOXX	14.15	4.3
Vertex	VERX	22.72	-1.7
VikingTherap	VKTX	18.03	4.4
VitaCoco	COCO	22.37	-1.1
WestrockCoffeeWt	WESTW	2.69	3.5
XponentialFit	XPOF	32.18	0.8
YottaAcqn	YOTA	10.31	0.2

Lows

Stock	Sym	52-Wk Hi/Lo	% Chg
Adtran	ADTN	10.62	-23.8
Adamis	ADMP	0.09	-5.9
AgileTherap	AGRX	7.78	-20.9
AirspanNetworks	MIMO	0.51	-4.5
AlphaTeknova	TKNO	2.30	4.1
AltoIngred	ALTO	1.32	-4.3
AmerantBncpA	AMTB	19.75	-5.9
ApollomicsA	APLM	6.31	-14.0
AppHarvestWt	APPHW	0.07	1.4
AtaraBiotherap	ATRA	2.59	-5.1
AtlCoastal II A	ACAB	9.79	...
Auddia	AUUD	0.41	-1.6
AultAllPfdD	AULTpD	10.55	...
AuroraMobile	JG	0.48	-4.3
Avinger	AVGR	0.69	5.4
BCB Bancorp	BCBP	11.65	-1.4
BankofButterfield	NTB	25.50	-0.6
BankJamesFinl	BOTJ	10.21	-2.3
BankFinancial	BFIN	8.50	-0.2
BayCom	BCML	16.31	1.5
BensonHillWt	BHIL.WS	0.06	-15.5
BlueSafariUn	BSGAU	7.83	-23.4
BlueSafariA	BSGA	7.56	-25.4
BridgelineDigital	BLIN	0.87	0.3
CIIGCapPtrsII	CIIG	9.55	-8.7
CanFiteBiopharm	CANF	1.57	-20.5
CanopyGrowth	CGC	1.52	-3.8
CaraTherap	CARA	4.40	-3.3
ChinaLiberalEduc	CLEU	0.53	-7.8
ComeraLifeSci	CMRA	0.75	...
CommunityFin	TCFC	31.69	-0.3
ContextLogic	WISH	0.31	-21.3
ContraFect	CFRX	1.02	-0.5
CXApp	CXAI	1.21	-7.6
DAVIDsTEA	DTEA	0.44	-2.6
DesignTherap	DSGN	5.03	-2.7
DunxinFinl	DXF	0.10	3.5
E-HomeHousehold	EJH	0.07	-15.2
ENDRA LifeSci	NDRA	1.81	13.6
1847Holdings	EFSH	0.57	-18.9
ElliottOppIIWt	EOCW.WS	0.02	-24.8
EnvericBiosci	ENVB	1.30	-1.4
EtaoInternational	ETAO	0.81	-7.8
EveloBiosci	EVLO	0.15	-15.6
FirstBancorp	FNLC	24.69	-1.0
FirstFinIN	THFF	35.37	0.5
FirstFinNW	FFNW	11.48	0.5
FirstMerchants	FRME	31.21	-1.0
FirstLongIsland	FLIC	12.42	-0.2
FirstWesternFin	MYFW	18.36	-0.2
FranklinStProp	FSP	1.33	-3.6
GasLogPtrsPfdA	GLOPpA	18.65	-9.1
GasLogPtrsPfdB	GLOPpB	20.75	-5.1
GasLogPtrsPfdC	GLOPpC	19.99	-5.8
GenerationIncm	GIPR	4.20	0.8
GlenBurnieBncp	GLBZ	7.11	2.8
GlblTechAcqnI	GTACU	9.42	-0.4
GloryStarNewMedia	GSMG	0.48	-23.6
GorillaTech	GRRR	2.60	3.3
GreeneCnty	GCBC	21.01	-3.4
GreenlandTech	GTEC	1.45	-2.0
GreenLightBioWt	GRNAW	0.04	-5.9
HTG Molecular	HTGM	2.12	-6.5
HarborCustomPfdA	HCDIP	3.91	-4.9
HeliusMedical	HSDT	0.18	-8.7
Hongli	HLP	3.25	-0.6
HourLoop	HOUR	1.88	...
IGM Biosci	IGMS	9.95	-2.7
Imunon	IMNN	1.06	...
IndLogistics	ILPT	2.56	-4.5
InnovidWt	CTV.WS	0.05	-13.0
Innovid	CTV	0.89	-9.0
Investar	ISTR	13.31	-1.7
JanOne	JAN	0.87	-9.2
JupiterAcqn	JAQCU	9.34	-0.6
KronosBio	KRON	1.26	...
Lannett	LCI	0.72	-21.3
LionElectricWt	LEV.WS	0.16	-0.1
LionGroup	LGHL	0.23	-6.3
LordstownMotors	RIDE	0.54	-7.9
LucyScientific	LSDI	0.84	-9.6
MagyarBancorp	MGYR	10.36	-1.2
Mangoceuticals	MGRX	0.86	4.8
ManhattanBridge	LOAN	4.93	0.2
MastechDigital	MHH	9.53	-4.4
MedAvail	MDVL	0.24	-2.1
MicrobotMed	MBOT	1.80	-5.2
micromobility.com	MCOM	1.97	-7.4
MidlandStBncp	MSBI	20.33	-1.9
MillenniumGrpIntl	MGIH	2.07	-9.9
MotorcarParts	MPAA	5.28	4.2
NewConceptEner	GBR	0.99	-4.6
Nikola	NKLA	1.08	-8.4
Nuwellis	NUWE	3.83	6.8
OakWoodsAcqnUn	OAKUU	10.12	...
OfficePropIncm	OPI	8.46	-24.4
OfficePropNts2050	OPINL	14.60	-5.3
OkyoPharma	OKYO	1.10	-5.1
180LifeSci	ATNF	1.13	1.7
OrbitalInfr	OIG	0.10	-0.3
OrionBiotechWt	ORIAW	0.02	-39.3
Ouster	OUST	0.48	-2.0
OusterWt	OUST.WS	0.04	-24.9
PapayaGrowthI	PPYAU	9.51	-0.6
PathfinderBncp	PBHC	16.27	-1.4
PeapackGladFinl	PGC	27.67	-0.9
PearTherap	PEAR	0.10	0.1
PopCulture	CPOP	0.70	-3.9
PreferredBankLA	PFBC	51.20	-2.2
Pulmatrix	PULM	2.71	1.4
RapidMicro	RPID	0.99	-11.5
RedHillBio	RDHL	2.67	-5.8
ReToEcoSol	RETO	0.26	...
RevelationBio	REVB	0.96	-9.6
RiverviewBncp	RVSB	5.03	5.5
RubiconTechWt	RBT.WS	0.03	6.6
SafeguardSci	SFE	1.42	7.4
SangamoTherap	SGMO	1.43	-2.0
ScullyRoyalty	SRL	6.11	1.8
SenesTech	SNES	1.02	-10.8
Sentage	SNTG	1.48	5.0
ShoreBancshares	SHBI	13.52	-0.4
Sientra	SIEN	1.25	1.5
SmartforLife	SMFL	0.11	-14.8
Soligenix	SNGX	1.52	-4.9
Sonder	SOND	0.56	-3.7
SportsMapTech	SMAPU	9.45	-0.8
Staffing360	STAF	1.27	-2.9
SuperCom	SPCB	1.16	1.6
TD Holdings	GLG	0.75	-5.6
T2Biosystems	TTOO	0.41	0.8
USCB Financial	USCB	9.76	-1.2
US Energy	USEG	1.35	8.1
urban-gro	UGRO	1.70	-26.5
Uxin	UXIN	1.75	-22.5
ValensSemicon	VLN	2.68	-5.6
Vaxart	VXRT	0.61	-3.0
ViaRenewablesPfdA	VIASP	15.34	-7.6
VirginOrbit	VORB	0.11	-29.6
WM Tech	MAPS	0.65	-3.9
WeTrade	WETG	0.19	-7.1
WeWork	WE	0.56	-5.8
WheelsUp	UP	0.42	-7.5
Workhorse	WKHS	1.07	-3.6

Biggest 1,000 Stocks | WSJ.com/stocks

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Stock	Sym	Close	Net Chg
PublicServiceEnt	PEG	63.65	0.42
PublicStorage	PSA	314.05	2.59
PulteGroup	PHM	59.76	1.43
PureStorage	PSTG	26.19	0.15
Qiagen	QGEN	46.22	0.46
Qorvo	QRVO	95.10	-0.10
Qualcomm	QCOM	123.57	-0.72
QualtricsIntl	XM	17.92	0.04
QuantaServices	PWR	163.73	2.19
QuestDiag	DGX	143.88	0.50
R S			
RBC Bearings	RBC	220.85	1.47
RELX	RELX	32.64	-0.16
R1 RCM	RCM	15.18	0.22
RPM	RPM	82.10	-0.04
RalphLauren	RL	120.42	3.51
RangeResources	RRC	27.34	0.24
RaymondJames	RJF	92.63	1.37
RaytheonTech	RTX	99.72	0.10
RealtyIncome	O	62.10	-0.55
RegalRexnord	RRX	133.48	3.48
RegencyCtrs	REG	60.73	0.30
RegenPharm	REGN	819.64	-4.12
RegionsFin	RF	18.50	0.09
ReinsGrp	RGA	135.43	0.34
RelianceSteel	RS	249.38	3.43
RenaissanceRe	RNR	205.74	-0.76
RentokilInit	RTO	36.73	0.19
Repligen	RGEN	170.39	4.95
RepublicSvcs	RSG	135.06	0.11
ResMed	RMD	223.17	1.03
RestaurantBrands	QSR	66.97	0.65
RexfordIndlRealty	REXR	57.51	-0.92
RioTinto	RIO	69.61	2.42
RitchieBros	RBA	58.53	1.31
Rivian	RIVN	14.74	-0.07
RobertHalf	RHI	75.51	0.55
Robinhood	HOOD	9.96	-0.02
Roblox	RBLX	46.06	-0.37
RocketCos.	RKT	9.92	0.43
Rockwell	ROK	278.52	3.29
RogersComm B	RCI	48.71	0.02
Roku	ROKU	63.97	-0.35
Rollins	ROL	38.70	0.15
RoperTech	ROP	438.71	2.47
RossStores	ROST	105.13	-1.51
RoyalBkCanada	RY	97.86	0.74
RoyalCaribbean	RCL	63.44	1.09
RoyalGold	RGLD	138.43	1.62
RoyaltyPharma	RPRX	36.53	0.22
RyanSpecialty	RYAN	41.87	0.21
Ryanair	RYAAY	94.12	0.12
SAP	SAP	126.54	-0.91
S&P Global	SPGI	341.91	3.08
SBA Comm	SBAC	264.00	2.26
SEI Investments	SEIC	57.57	0.77
SK Telecom	SKM	20.22	0.15
SS&C Tech	SSNC	57.38	1.18
Saia	SAIA	271.52	4.58
Salesforce	CRM	188.89	-2.60
Samsara	IOT	19.19	0.20
Sanofi	SNY	55.22	0.23
SareptaTherap	SRPT	139.10	-1.28
Sasol	SSL	13.79	0.09
Schlumberger	SLB	51.14	1.10
SchwabC	SCHW	51.71	-0.01
Sea	SE	82.03	-1.50
Seagate	STX	66.88	0.53
Seagen	SGEN	204.98	0.28
SealedAir	SEE	46.89	0.27
Sempra	SRE	154.75	-0.54
SensataTechs	ST	47.00	0.30
ServiceCorp	SCI	72.10	1.96
ServiceNow	NOW	469.82	-2.82
Shell	SHEL	60.78	-0.02
SherwinWilliams	SHW	226.28	1.90
ShinhanFin	SHG	26.36	0.11
ShockwaveMed	**SWAV**	**251.05**	**24.15**
Shopify	SHOP	44.78	-0.57
SimonProperty	SPG	110.16	0.60
SiriusXM	SIRI	4.06	-0.02
SkechersUSA	SKX	48.70	1.62
Skyworks	SWKS	110.44	-1.35
SmithAO	AOS	65.56	0.09
Smith&Nephew	SNN	29.25	0.82
Smucker	SJM	155.65	-0.11
Snap	SNAP	10.56	0.20
Snap-On	SNA	235.88	2.52
Snowflake	**SNOW**	**139.19**	**-8.58**
SOQUIMICH	SQM	76.20	2.06
SolarEdgeTech	SEDG	288.35	5.16
Sony	SONY	88.91	0.40
Southern	SO	71.83	-0.21
SoCopper	SCCO	77.53	2.37
SouthwestAir	LUV	32.71	0.54
Splunk	SPLK	90.80	-2.34
Spotify	SPOT	131.28	-0.97
StanleyBlackDck	SWK	78.70	1.23
Stantec	STN	58.27	-0.25
Starbucks	SBUX	105.74	1.00
StateStreet	STT	78.58	1.25
SteelDynamics	STLD	108.01	1.69
Stellantis	STLA	18.25	0.41
Steris	STE	195.36	3.12
▲ Stevanato	STVN	26.58	0.85
StifelFinancial	SF	58.63	0.56
STMicroelec	STM	50.20	-0.28
▲ Stryker	SYK	290.53	2.29
SumitomoMits	SMFG	8.17	0.11
SunComms	SUI	141.80	1.39
SunLifeFinancial	SLF	47.39	0.29
SuncorEnergy	SU	32.31	0.46
Suzano	SUZ	8.47	0.34
SynchronyFin	SYF	29.85	1.05
Synopsys	SNPS	379.40	-0.59
Sysco	SYY	78.32	0.61
T U V			
TC Energy	TRP	41.25	0.45
TD Synnex	SNX	93.65	-0.46
TE Connectivity	TEL	125.73	0.44
Telus	TU	20.94	0.12
Ternium	TX	41.70	1.48
TFI Intl	TFII	116.11	1.72
TIM	TIMB	12.91	0.31
TJX	TJX	78.34	-0.04
T-MobileUS	TMUS	149.95	-0.04
TPG	TPG	28.98	0.75
T.RowePrice	TROW	112.91	2.37
TaiwanSemi	TSM	89.24	0.22
TakeTwoSoftware	TTWO	120.39	-0.65
TakedaPharm	TAK	16.54	-0.08
Tapestry	TPR	40.84	-0.02
TargaResources	TRGP	76.32	0.92
Target	TGT	169.58	0.58
TeckResourcesB	TECK	43.30	0.53
TeledyneTech	TDY	437.75	1.59
Teleflex	TFX	266.50	4.90
Ericsson	ERIC	5.83	-0.06
TelefonicaBras	VIV	7.97	0.21
Telefonica	TEF	4.42	-0.01
TelekmIndonesia	TLK	28.85	0.25
TempurSealy	TPX	38.41	1.62
Tenaris	TS	29.04	0.57
TencentMusic	TME	7.56	0.08
TenetHealthcare	THC	62.16	1.29
Teradyne	TER	102.28	-0.45
Tesla	TSLA	186.79	2.28
TetraTech	TTEK	141.23	0.30
TevaPharm	TEVA	9.47	0.06
TexasInstruments	TXN	179.87	0.45
TexasPacLand	TPL	1804.18	42.29
▲ TexasRoadhouse	TXRH	112.49	1.78
Textron	TXT	68.32	-0.08
ThermoFisher	TMO	576.38	2.02
ThomsonReuters	TRI	129.01	-1.10
3M	MMM	104.56	1.80
Toast	TOST	17.66	0.41
Toll Bros	TOL	59.50	1.49
Toro	TTC	103.67	0.66
TorontoDomBk	TD	60.44	1.16
TotalEnergies	TTE	63.66	0.36
ToyotaMotor	TM	137.59	-0.42
▲ TractorSupply	TSCO	240.00	1.45
TradeDesk	TTD	61.51	-0.01
Tradeweb	TW	70.79	-1.01
TraneTech	TT	171.04	-0.05
TransDigm	TDG	738.82	4.91
TransUnion	TRU	63.43	1.01
Travelers	TRV	173.55	0.90
Trimble	TRMB	49.67	-0.01
Trip.com	TCOM	37.08	-0.72
TruistFinl	TFC	33.70	0.53
Twilio	TWLO	59.04	-0.60
TylerTech	TYL	357.48	5.53
TysonFoods	TSN	62.05	1.00
UBS Group	UBS	21.50	0.80
UDR	UDR	40.75	0.06
UGI	UGI	35.34	0.34
U-Haul	UHAL	60.85	1.26
U-Haul N	UHAL/B	53.09	1.12
US Foods	USFD	37.52	0.72
▲ UWM	UWMC	5.20	-0.08
Uber	UBER	31.12	-0.62
Ubiquiti	UI	264.08	-3.36
UiPath	PATH	16.52	-0.01
UltaBeauty	ULTA	526.75	-2.71
Unilever	UL	53.32	-0.26
UnionPacific	UNP	198.90	0.53
UnitedAirlines	UAL	44.32	1.19
UnitedMicro	UMC	8.41	...
UPS B	UPS	192.45	2.19
UnitedRentals	URI	370.55	5.63
US Bancorp	USB	35.53	-0.08
UnitedTherap	UTHR	226.30	3.23
UnitedHealth	UNH	520.97	5.79
UnitySoftware	U	30.80	0.13
UnivDisplay	OLED	151.28	-0.20
UniversalHealthB	UHS	132.55	3.20
UnumGroup	UNM	39.66	0.36
VF	VFC	22.17	0.37
VICI Prop	VICI	32.86	0.23
VailResorts	MTN	243.04	3.15
Vale	**VALE**	**16.42**	**1.05**
ValeroEnergy	VLO	136.71	1.61
ValmontInds	VMI	297.33	-0.64
VeevaSystems	VEEV	176.90	-1.42
Ventas	VTR	44.34	0.46
VeriSign	VRSN	213.69	1.11
VeriskAnalytics	VRSK	191.45	1.19
Verizon	VZ	39.45	0.10
VertexPharm	VRTX	324.83	1.59
Viatris	VTRS	9.91	0.06
Vipshop	VIPS	14.95	-0.08
Visa	V	228.45	2.02
Vistra	VST	24.69	0.27
VMware	VMW	124.11	-0.12
Vodafone	VOD	11.43	0.06
VoyaFinancial	VOYA	72.93	1.21
VulcanMatls	VMC	166.57	0.56
W X Y Z			
WEC Energy	WEC	98.50	0.15
WEX	WEX	183.12	2.98
W.P.Carey	WPC	73.69	-0.92
WPP	WPP	57.79	-0.83
Wabtec	WAB	99.48	0.89
WalgreensBoots	WBA	36.31	0.21
Walmart	WMT	150.07	-0.44
WarnerBrosA	WBD	14.93	-0.47
WarnerMusic	WMG	31.98	-0.14
WasteConnections	WCN	140.03	1.74
WasteMgt	WM	163.14	0.86
Waters	WAT	302.18	2.76
Watsco	WSO	310.58	3.80
WebsterFin	WBS	37.46	0.12
WellsFargo	WFC	39.37	0.74
Welltower	WELL	74.34	1.52
WescoIntl	WCC	136.40	-0.50
WestPharmSvcs	WST	354.81	5.02
WesternDigital	WDC	38.37	0.33
WesternMidstrm	WES	26.96	0.61
Westlake	WLK	115.88	0.37
WestRock	WRK	30.50	0.38
Weyerhaeuser	WY	30.87	0.44
WheatonPrecMet	WPM	49.55	0.79
Whirlpool	WHR	134.02	4.94
Williams	WMB	30.17	0.33
Williams-Sonoma	WSM	119.50	1.18
WillisTowers	WTW	236.84	2.07
WillScotMobile	WSC	40.65	0.16
Wipro	WIT	4.56	0.03
Wolfspeed	WOLF	58.71	0.43
WoodsideEnergy	WDS	22.98	0.23
WooriFin	WF	25.94	0.24
Workday	WDAY	195.98	-0.96
WW Ent	WWE	102.87	0.06
WynnResorts	WYNN	107.98	-1.94
XcelEnergy	XEL	71.04	0.28
XPeng	XPEV	10.49	0.21
Xylem	XYL	102.73	1.18
YPF	YPF	12.41	0.11
Yum!Brands	YUM	131.57	0.47
YumChina	YUMC	64.36	0.39
ZTO Express	ZTO	28.69	...
ZebraTech	ZBRA	304.03	2.07
Zillow C	Z	44.78	-0.19
Zillow A	ZG	43.81	-0.26
ZimmerBiomet	ZBH	131.38	3.23
Zoetis	ZTS	171.21	0.34
ZoomVideo	ZM	70.00	-1.17
ZoomInfoTech	ZI	23.04	-0.04
Zscaler	ZS	105.96	1.01

Mutual Funds

Data provided by LIPPER

Top 250 mutual-funds listings for Nasdaq-published share classes by net assets.

e-Ex-distribution. **f**-Previous day's quotation. **g**-Footnotes x and s apply. **j**-Footnotes e and s apply. **k**-Recalculated by Lipper, using updated data. **p**-Distribution costs apply, 12b-1. **r**-Redemption charge may apply. **s**-Stock split or dividend. **t**-Footnotes p and r apply. **v**-Footnotes x and e apply. **x**-Ex-dividend. **z**-Footnote x, e and s apply. **NA**-Not available due to incomplete price, performance or cost data. **NE**-Not released by Lipper; data under review. **NN**-Fund not tracked. **NS**-Fund didn't exist at start of period.

Tuesday, April 11, 2023

Fund	NAV	Net Chg	YTD % Ret
American Century Inv			
Ultra	63.23	-0.09	14.6
American Funds Cl A			
AmcpA	33.00	+0.07	9.7
AMutlA	49.01	+0.10	1.7
BalA	29.66	+0.06	3.5
BondA	11.64	...	3.2
CapIBA	64.49	+0.22	3.1
CapWGrA	54.85	+0.28	6.7
EupacA	53.78	+0.31	9.7
FdInvA	63.95	+0.28	6.4
GwthA	54.78	+0.13	10.7
HI TrA	9.18	+0.01	3.1
ICAA	43.78	+0.02	6.5
IncoA	22.89	+0.08	1.9
N PerA	51.99	+0.16	9.9
NEcoA	47.87	+0.11	10.0
NwWrldA	71.13	+0.50	7.0
SmCpA	59.23	+0.54	5.6
TxExA	12.38	...	3.6
WshA	52.86	+0.11	2.1
Artisan Funds			
IntlVal Inst	42.77	+0.21	10.8
Baird Funds			
AggBdInst	9.87	+0.01	3.6
CorBdInst	10.13	...	3.4
BlackRock Funds			
HiYldBd Inst	6.80	+0.02	4.3
BlackRock Funds A			
GlblAlloc	17.15	+0.02	4.1
BlackRock Funds III			
iShS&P500IdxK	481.81	-0.01	7.5
BlackRock Funds Inst			
EqtyDivd	18.86	+0.09	3.2
StratIncOpptyIns	9.26	-0.01	1.9
Bridge Builder Trust			
CoreBond	9.06	...	3.6
CorePlusBond	8.93	...	3.7
Intl Eq	11.75	+0.07	9.6
LargeCapGrowth	18.73	-0.02	9.6
LargeCapValue	15.30	+0.07	2.4
MunicipalBond	9.94	...	3.3
Calamos Funds			
MktNeutI	14.19	+0.01	3.3
Columbia Class I			
DivIncom I	28.91	+0.05	0.5
Dimensional Fds			
5GlbFxdInc	9.99	-0.01	1.6
EmgMktVa	27.72	+0.29	5.1
EmMktCorEq	21.44	+0.16	6.6
IntlCoreEq	14.60	+0.13	8.2
IntSmCo	18.53	+0.17	6.5
IntSmVa	20.17	+0.22	7.3
LgCo	28.01	...	7.5
US CoreEq1	31.34	+0.08	5.6
US CoreEq2	28.41	+0.10	5.0
US Small	39.43	+0.28	2.2
US SmCpVal	38.82	+0.34	-0.8
US TgdVal	27.29	+0.24	...
USLgVa	41.87	+0.30	1.5
Dodge & Cox			
Balanced	95.50	+0.29	3.4
GblStock	13.43	+0.03	6.5
Income	12.51	+0.02	3.5
Intl Stk	46.38	+0.13	7.6
Stock	218.78	+0.95	2.6
DoubleLine Funds			
TotRetBdI	9.02	...	3.9
Edgewood Growth Instituti			
EdgewoodGrInst	35.70	+0.05	14.1
Fidelity			
500IdxInstPrem	142.61	...	7.5
Contrafund K6	18.74	-0.02	11.4
ExtMktIdxInstPre	65.93	+0.46	4.6
FidSerToMarket	13.53	+0.02	7.1
GrowthCompanyK6	17.65	-0.03	14.7
InflPrBdIndInsPr	9.38	+0.01	4.0
IntlIdxInstPrem	45.06	+0.28	9.4
LgCpGwId InstPre	23.59	-0.07	13.3
MidCpInxInstPrem	26.88	+0.20	3.7
SAIUSLgCpIndxFd	18.07	...	7.5
SeriesBondFd	9.12	+0.02	3.6
SeriesOverseas	12.03	+0.08	10.8
SerLTTreBdIdx	6.27	+0.01	7.9
SmCpIdxInstPrem	22.13	+0.18	2.0
TMktIdxInstPrem	113.50	+0.11	7.1
TotalMarketIndex	14.30	+0.01	7.1
TtlIntIdxInstPr	12.60	+0.09	7.6
USBdIdxInstPrem	10.46	+0.01	3.5
Fidelity Freedom			
FF2020	13.48	+0.03	5.6
FF2025	12.43	+0.04	6.1
FF2030	15.55	+0.05	6.3
FF2035	13.43	+0.05	6.8
FF2040	9.54	+0.04	7.3
Freedom2030 K	15.54	+0.05	6.3
Idx2030InsPre	17.84	+0.04	6.2
Idx2035InsPre	19.97	+0.06	6.7
Idx2040InsPre	20.31	+0.06	7.1
Fidelity Invest			
Balanc	24.61	+0.01	7.8
BluCh	132.54	-0.53	17.9
Contra	13.37	-0.02	12.2
CpInc	9.24	+0.02	3.9
GroCo	26.05	-0.07	15.7
InvGrBd	10.12	+0.01	3.8
LowP	47.26	+0.39	2.3
Magin	11.52	+0.02	7.8
NASDAQ	152.04	-0.67	15.3
OTC	14.65	-0.07	14.2
Puritn	21.55	+0.01	5.6
SAIUSQtyIdx	16.68	-0.02	8.9
SrsEmrgMkt	16.55	+0.14	6.0
SrsGlobal	13.32	+0.08	7.9
SrsGroCoRetail	15.74	-0.04	14.3
SrsIntlGrw	15.66	+0.10	9.8
SrsIntlVal	10.72	+0.08	6.9
TotalBond	9.57	+0.01	3.7
Fidelity SAI			
TotalBd	9.06	+0.01	3.8
U.S.TreBdIdx	8.92	...	3.7
First Eagle Funds			
GlbA	61.97	+0.32	6.9
Franklin A1			
IncomeA1	2.31	+0.01	3.7
FrankTemp/Frank Adv			
IncomeAdv	2.29	+0.01	3.7
FrankTemp/Franklin A			
Growth A	110.13	-0.28	7.8
RisDv A	85.75	+0.14	3.8
Guggenheim Funds Tru			
TotRtnBdFdClInst	23.91	+0.01	4.3
Harbor Funds			
CapApInst	73.48	-0.16	17.1
Harding Loevner			
IntlEq	25.18	+0.20	NA
Invesco Funds A			
EqIncA	9.85	+0.03	0.8
Invesco Funds Y			
DevMktY	39.51	+0.39	13.0
JHF III DispVal			
DispValMCI	24.75	+0.21	1.4
John Hancock			
BondR6	13.68	+0.01	3.8
JPMorgan I Class			
CoreBond	10.41	...	4.0
EqInc	22.18	+0.09	-1.2
LgCpGwth	48.02	-0.16	7.4
JPMorgan R Class			
CoreBond	10.43	+0.01	4.0
CorePlusBd	7.34	+0.01	4.1
Lord Abbett I			
BdDebentr	6.99	+0.01	2.1
ShtDurInc p	3.86	...	2.0
Metropolitan West			
TotRetBdI	9.30	...	NA
TRBdPlan	8.72	...	NA
MFS Funds			
IIE	31.20	+0.14	10.9
MFS Funds Class I			
GrowthI	145.65	-0.52	9.9
ValueI	47.27	+0.17	-0.7
Neuberger Berman Fds			
LCVal Inst	43.43	+0.17	0.9
Northern Funds			
StkIdx	43.70	-0.01	7.5
Old Westbury Fds			
LrgCpStr	15.50	+0.03	NA
Parnassus Fds			
ParnEqFd	50.15	+0.03	7.0
PGIM Funds Cl Z			
TotalReturnBond	12.01	...	NA
PIMCO Fds Instl			
AllAsset	10.87	+0.05	NA
TotRt	8.67	+0.01	NA
PIMCO Funds A			
IncomeFd	10.44	+0.01	2.5
PIMCO Funds I2			
Income	10.44	+0.01	2.6
PIMCO Funds Instl			
IncomeFd	10.44	+0.01	2.6
Price Funds			
BlChip	119.77	-0.61	15.7
DivGro	65.48	+0.15	2.4
Growth	71.18	-0.35	15.5
HelSci	90.34	+0.64	0.6
LgCapGow I	52.28	-0.25	13.9
MidCap	94.48	+0.42	6.5
NHoriz	48.67	+0.29	5.1
R2020	17.56	+0.03	4.9
R2025	15.37	+0.02	5.1
R2030	23.09	+0.05	5.6
R2040	25.97	+0.07	6.2
Putnam Funds Class A			
PutLargCap p	28.86	+0.10	2.6
Schwab Funds			
1000 Inv r	NA	...	NA
S&P Sel	NA	...	NA
TSM Sel r	NA	...	NA
TIAA/CREF Funds			
EqIdxInst	29.06	+0.03	7.0
IntlEqIdxInst	20.89	+0.13	9.4
VANGUARD ADMIRAL			
500Adml	379.20	-0.01	7.5
BalAdml	41.54	+0.04	5.7
CAITAdml	11.42	+0.01	3.3
CapOpAdml r	156.61	+0.32	7.2
DivAppIdxAdm	42.07	+0.09	2.6
EMAdmr	33.75	+0.21	4.2
EqIncAdml	83.50	+0.40	-0.7
ExplrAdml	92.27	+0.67	6.2
ExtndAdml	105.14	+0.74	4.6
GNMAAdml	9.40	+0.02	3.2
GrwthAdml	126.68	-0.53	15.7
HlthCareAdml r	89.00	+0.24	2.4
HYCorAdml r	5.24	+0.01	3.4
InfProAd	24.00	+0.03	4.0
IntlGrAdml	100.56	+0.45	11.2
ITBondAdml	10.41	...	4.1
ITIGradeAdml	8.59	...	4.3
LarCapAd	94.36	-0.01	7.7
LTGradeAdml	8.22	+0.03	6.7
MidCpAdml	260.25	+1.91	3.5
MuHYAdml	10.62	+0.01	4.6
MuIntAdml	13.71	+0.02	3.4
MuLTAdml	10.93	+0.01	4.4
MuLtdAdml	10.82	+0.01	2.0
MuShtAdml	15.68	+0.01	1.3
PrmcpAdml r	140.79	+0.16	7.6
RealEstatAdml	117.82	+0.51	1.8
SmCapAdml	90.32	+0.77	3.1
SmGthAdml	75.70	+0.63	7.5
STBondAdml	10.02	...	2.1
STIGradeAdml	10.09	...	2.2
STIPSIxAdm	23.99	+0.01	2.5
TotBdAdml	9.75	+0.01	3.7
TotIntBdIdxAdm	19.53	-0.08	3.5
TotIntlAdmIdx r	29.86	+0.21	7.4
TotStAdml	99.24	+0.10	7.0
TxMCapAdml	211.87	+0.15	7.5
TxMIn r	14.62	+0.10	8.5
USGroAdml	115.71	-0.26	14.2
ValAdml	54.62	+0.24	0.4
WdsrIIAdml	69.65	+0.14	5.3
WellsIAdml	60.04	+0.12	2.2
WelltnAdml	68.66	+0.04	4.1
WndsrAdml	71.20	+0.52	4.3
VANGUARD FDS			
DivdGro	35.56	+0.08	1.1
IntlVal	38.90	+0.23	8.8
LifeCon	19.96	+0.02	5.1
LifeGro	38.35	+0.10	6.4
LifeMod	29.01	+0.05	5.7
PrmcpCor	28.61	+0.08	5.3
STAR	25.81	+0.07	6.8
TgtRe2020	26.63	+0.03	5.0
TgtRe2025	17.60	+0.03	5.5
TgtRe2030	33.22	+0.06	5.9
TgtRe2035	20.54	+0.04	6.1
TgtRe2040	36.18	+0.08	6.4
TgtRe2045	24.35	+0.07	6.7
TgtRe2050	40.39	+0.12	6.9
TgtRe2060	41.50	+0.12	6.9
TgtRet2055	45.06	+0.13	6.9
TgtRetInc	12.74	...	4.5
WellsI	24.79	+0.05	2.2
Welltn	39.77	+0.03	4.1
WndsrII	39.26	+0.08	5.3
VANGUARD INDEX FDS			
ExtndIstPl	259.45	+1.83	4.6
IdxIntl	17.85	+0.12	7.4
MdCpGrAdml	82.88	+0.48	7.3
MdCpVlAdml	69.78	+0.61	0.1
SmValAdml	67.89	+0.59	0.1
TotBd2	9.63	+0.01	3.6
TotIntlInstIdx r	119.42	+0.84	7.4
TotItlInstPlId r	119.45	+0.84	7.4
TotSt	99.23	+0.10	7.0
VANGUARD INSTL FDS			
BalInst	41.55	+0.04	5.7
DevMktsIndInst	14.64	+0.10	8.6
DevMktsInxInst	22.89	+0.17	8.6
ExtndInst	105.13	+0.74	4.6
GrwthInst	126.69	-0.53	15.7
InPrSeIn	9.78	+0.01	4.0
InstIdx	343.08	-0.01	7.5
InstPlus	343.07	-0.01	7.5
InstTStPlus	71.34	+0.07	7.0
MidCpInst	57.49	+0.42	3.5
MidCpIstPl	283.54	+2.09	3.5
RealEstaInstl	18.23	+0.07	1.8
SmCapInst	90.31	+0.77	3.1
SmCapIstPl	260.67	+2.22	3.1
STIGradeInst	10.09	...	2.2
STIPSIxins	24.01	+0.01	2.5
TotBdInst	9.75	+0.01	3.7
TotBdInst2	9.63	+0.01	3.6
TotBdInstPl	9.75	+0.01	3.7
TotIntBdIdxInst	29.30	-0.13	3.5
TotStInst	99.26	+0.10	7.0
ValueInst	54.62	+0.24	0.4
WCM Focus Funds			
WCMFocIntlGrwIns	21.55	+0.16	9.6
Western Asset			
CorePlusBdI	9.62	+0.01	NA

BANKING & FINANCE

Risky-Bond Wipeout Hurts Asia's Rich

Private bankers at UBS, others pushed Credit Suisse AT1 securities to clients

By Rebecca Feng

The full write-down of **Credit Suisse Group** AG's riskiest bonds as part of its takeover by **UBS** Group AG has left some wealthy Asian investors sitting on big losses.

More than $17 billion of so-called Additional Tier 1 securities issued by Credit Suisse became virtually worthless last month, following a controversial decision by Switzerland's financial regulator. Asian high-net-worth investors—including clients of Credit Suisse's own private bank—were among the holders of these bonds.

The AT1 bonds were attractive to many wealthy individuals because the securities offered high returns and were issued by well-known institutions, including some of the world's largest banks.

Credit Suisse committed to pay investors 9.75% in annual interest when it sold a $1.65 billion AT1 bond in June 2022. That was the highest rate it paid on its perpetual bonds, which the bank issued over the past decade in U.S. dollars and other currencies. The Credit Suisse bonds were distributed by many American and European financial institutions, according to Dealogic data.

Many private bankers in Asia pushed AT1 bonds from various banks to their clients in recent years, said Jessica Cutrera, Hong Kong-based president of independent wealth adviser Leo Wealth.

“These AT1s were sold, not bought,” she said. “It was really a yield play. We never liked them, but I know a lot of people who did,” she added.

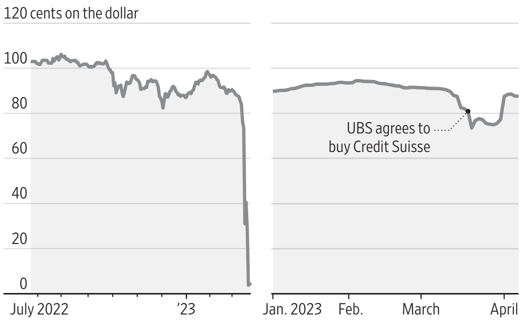
Jason Liu, an investor in Taiwan, said he bought two Credit Suisse AT1 bonds during the second half of last year at the recommendation of his longtime private banker at UBS. “I really rely on and trust my banker for his advice,” he said.

On March 20, Mr. Liu woke up to the news that Credit Suisse's AT1 bonds would be written down to zero. He said he told his sons that the money he had set aside for them was gone.

Mr. Liu said his adviser didn't tell him that the terms of the bonds include a clause that points at the potential for them to be wiped out, and he feels cheated by Credit Suisse because the bank had recently stated that its capital position

Price of Credit Suisse's 9.75% AT1 bond*

Price of contingent-convertible securities†



*Data through March 22 †Shows the ICE USD Contingent Capital Index. Data through April 6
Sources: FactSet (bond); ICE Data Services (securities)

was healthy. He said wealth managers need to be more careful when selecting securities for clients, and highlight all risks when marketing them.

Spokesmen at UBS and Credit Suisse said the banks had no comment.

“Most Asian private banks market AT1 bonds as fixed-income securities, and people get excited with the enhanced yields on these,” said Hemant Tucker, co-founder and chief executive of Farro Capital, a Singapore-based multifamily office. As a result, they were often compared with safer, lower-yielding bonds, when they ought to have been viewed more as risky, equity-like instruments, he added.

Some Asian investors also used leverage to buy AT1s, meaning they borrowed money from banks or brokers to purchase these bonds. That enabled the investors to earn even higher returns, since they could put down a fraction of the money needed to take a large position. It also exposed them to potentially bigger losses if prices declined.

Leveraged bets on AT1 securities have been among the favorite pitches of relationship managers at private banks in Asia, said Samuel Rhee, co-founder, chairman and chief investment officer of Endowus, a digital-wealth platform. Mr. Rhee was previously chief investment officer of Morgan Stanley Investment Management in Asia. He said private bankers in the U.S. and Europe were much less likely to push individual securities to their clients.

The write-down of Credit Suisse's AT1s adds a potential headache for UBS executives weighing how to merge the two banks. Credit Suisse's private wealth clients in Asia were a big part of the appeal of the acquisition, the terms of which have left some of those same clients nursing losses.

Mr. Liu, the Taiwanese investor, said he banks with UBS and several other Hong Kong and Singapore banks, but the Swiss lender was the only one that marketed Credit Suisse's AT1 bonds to him. “I'm considering moving my assets to another bank, because I don't feel safe putting my assets in Swiss institutions now. It seems that the regulators there can do whatever they want,” he said.

Wealthy individuals in Asia weren't the only ones that suffered losses from Credit Suisse's AT1 bonds. The bank's own employees were also among those that held the securities, as well as institutions and investors in the U.S. and the Middle East. Several international law firms have said they are representing holders of Credit Suisse AT1 securities, indicating that lawsuits are in the works.

Some of the bonds are also held by mutual funds that were sold in Asia. A global fund managed by Pimco had 3.5% of total assets invested in the Swiss bank's AT1 bonds on Dec. 31, 2022, according to data provided by Morningstar.

Money managers are starting to differentiate between AT1 bonds issued in Switzerland versus other jurisdictions, said Shannon Kirwin, associate director of fixed-income strategies at Morningstar. The decision to wipe out the AT1s was ultimately taken by Swiss regulators; authorities elsewhere have made clear that stockholders would be wiped out before AT1 investors take losses.

The price of an ICE index of more than 100 contingent-capital securities—also known as Cocos—dropped to 73.5 cents on the dollar on March 20, the day after UBS announced its emergency takeover of Credit Suisse. Its price has since recovered to about 87.6 cents.

Some of UBS's securities in the index were recently between 69 and 78 cents on the dollar, according to ICE.

—Weilun Soon contributed to this article.

Glencore Revises Teck Bid on Coal Concerns

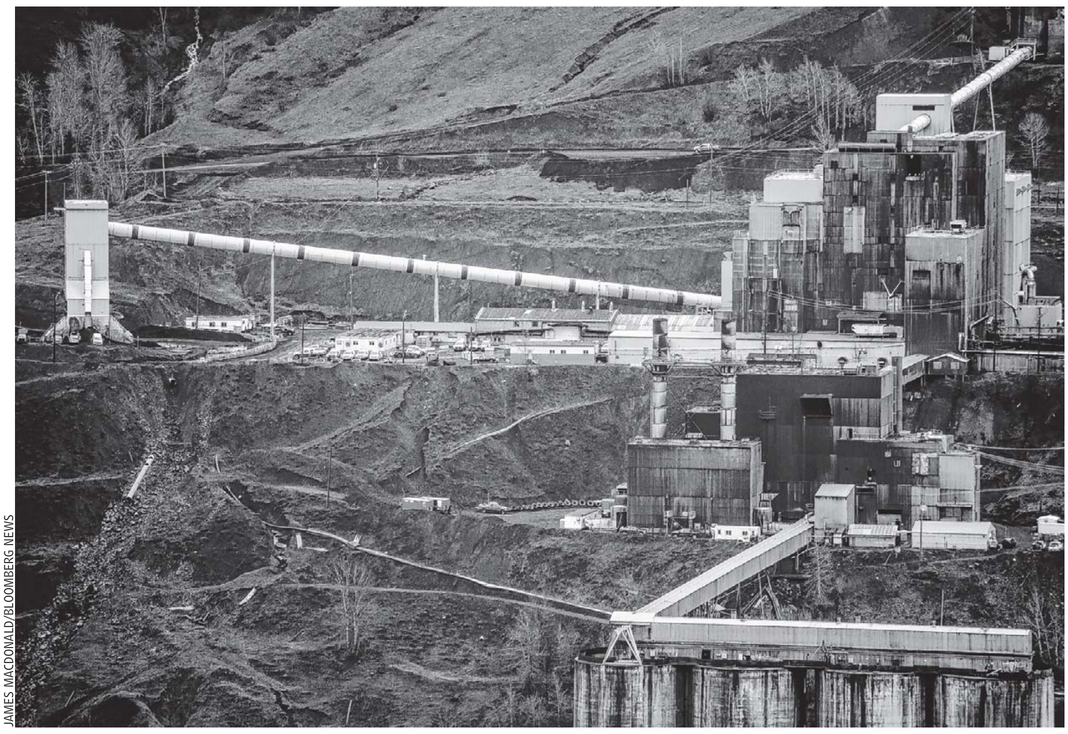
By Julie Steinberg
And Vipal Monga

Glencore PLC said it would add a cash component to its roughly $23 billion merger proposal for **Teck Resources** Ltd., as the commodities company seeks to win over the Canadian miner's shareholders for a deal that would create a copper giant.

Glencore last week detailed a bid to combine with Teck and create two separate companies for their merged metals and coal businesses. Teck said it had rejected that all-share offer in part because it would expose its shareholders to Glencore's large thermal coal business.

On Tuesday, Glencore said it was updating its proposal to allow Teck shareholders a way to avoid exposure to coal by offering them 24% of the combined metals company, a plank of the original proposal, as well as $8.2 billion in cash.

Glencore said it “acknowledges that certain Teck investors may prefer a full coal exit and others may not desire thermal coal exposure.”



Glencore has added a cash component to its merger proposal. Teck's Elkview Operations near Sparwood, British Columbia, last year.

JAMES MACDONALD/BLOOMBERG NEWS

Teck shareholders would also be able to retain shares in the coal company if they preferred them over cash, up to a 24% stake.

The updated structure of the bid doesn't change the value of the proposed deal, which represented a premium of about 20% on Teck's closing share price on March 24, and which would be one of the largest mining tie-ups in several years.

Glencore has said the combination would create a leading player in cobalt and copper, crucial for the transition to less polluting forms of energy.

Teck said Tuesday that it would review the offer, but noted that the cash offer didn't change the value of the deal.

“The revised proposal does not provide an increase in the overall value to be received by Teck shareholders or appear to address material risks previously raised by Teck,” the company said.

Teck Chief Executive Officer Jonathan Price told analysts on a call Monday that Glencore's bid would “destroy value for Teck shareholders” and would likely face significant regulatory hurdles.

Glencore on Tuesday said that it didn't anticipate significant antitrust concerns, and that it believed a deal could be done within a year of being announced.

Glencore is rare among major resources groups in sticking with its coal business, with many large mining companies in recent years having sought to reduce their exposure to the commodity amid pressure from investors.

The new plan allows Teck shareholders to avoid exposure to coal if they prefer.

As part of that trend, Teck in February said it planned to split into two independent companies, with one focused on base metals and another on coal. Shareholders are set to vote on that plan on April 26.

Glencore on Tuesday asked Teck to delay that shareholder meeting and engage with it in merger talks.

The London-listed, Switzerland-based company's bid has so far been opposed by some shareholders, including the family that holds most of the Canadian company's supervoting Class A shares, giving them control of a third of Teck's voting rights.

The transaction doesn't make a lot of sense and “significantly undervalues” Teck, according to Teddy Molson, a portfolio manager with London-based hedge-fund firm Egerton Capital LLP, which holds roughly 2.25% of the company's Class B shares.

Speaking before Glencore detailed its updated proposal, Mr. Molson said that Egerton supports Teck's separation plan and wants that to happen before any other deal is contemplated.

Analysts at Jefferies said on Tuesday that they thought the revised proposal was helpful but that the premium offered so far wasn't high enough to get support from Teck's shareholders.

Glencore shares climbed 2.9%, or 33 cents, to close at $11.70 in New York on Tuesday. Teck shares trading in New York rose 1.2%, or 53 cents, to close at $43.30 on Tuesday.

—Ben Dummett contributed to this article.

Citi M&A Co-Chief Shafir To Retire

By Lauren Thomas

One of **Citigroup** Inc.'s top deal makers is retiring from the investment bank, according to a memo reviewed by The Wall Street Journal.

Mark Shafir, who most recently served as co-head of global mergers and acquisitions at Citi alongside Cary Kochman, announced his retirement on Tuesday morning, according to the memo, which was distributed internally.

Mr. Shafir has been at Citi for 15 years and has worked in a number of leadership roles during his tenure.

Mr. Shafir has worked on a number of landmark deals at Citi, including Broadcom Inc.'s $61 billion deal to buy VMware Inc. and more recently Kroger Co.'s deal to purchase rival grocery chain Albertsons Cos.

Mr. Shafir plans to stay on at Citi through mid-May to help with the transition process, according to the memo.

Mr. Kochman will continue to lead the bank's mergers and acquisitions franchise globally, it said.

VICTOR J. BLUE/BLOOMBERG NEWS

Mark Shafir has held a number of roles in his 15 years at Citi.

FDIC Staffers Tested

Continued from page B1

nature had become the second- and third-largest bank failures in U.S. history, eclipsed only by Washington Mutual in 2008.

The abrupt failures upended the FDIC's goal of having orderly wind-downs of failing institutions. The test for the agency's program: quickly setting up leaders to take charge of its newly created bridge banks, the entities that keep the lights on until a new owner is found or the bank is liquidated.

To prepare for the moment, the FDIC had screened more than 100 candidates with varied backgrounds—including as CEOs, chief financial officers and chief operating officers—to reflect the roles that might be needed. David Kiddney, who oversees the program, said many of the candidates took part in small group sessions to review the protocols for running bridge banks.

The ideal candidates have both high moral character and a firefighter mentality, as well as the ability to withstand political pressure, according to Alexander Rolfe, a former FDIC official who worked on the program and is now a consultant. “That actually rules out a good number of people,” he said.

Messrs. Carmichael and Mayopoulos were tapped by the FDIC on Sunday morning. Mr. Carmichael had been recruited to the program soon after he retired last summer as CEO of Fifth Third Bancorp. Mr. Mayopoulos ran Fannie Mae after the 2008 financial crisis and had been general counsel at Bank of America Corp. He also served on the FDIC's systemic resolution advisory committee.

The two former executives booked flights to their respective posts that day to immediately get to work. Their first task was to retain key staff so operations could continue.

In addition to retention packages, the creation of a bridge bank and the arrival of a new CEO seemed to rally spirits, Mr. Mayopoulos said. SVB employees who had been memorializing the bank and seeking new jobs were now starting to share Mr. Mayopoulos's messages to clients on LinkedIn.

“SVB 2.0 is BACK,” one banker posted.

Messrs. Mayopoulos and Carmichael scrambled to manage a flood of operational issues while also muddling through the mundane tasks of starting a new job, such as getting set up with a company email account and finding the men's room.

Mr. Carmichael said Signature had to work with the Federal Reserve to ensure it had enough funding to meet withdrawal requests that had piled up over the weekend. He had to make sure the bank's fraud controls were up to the task of monitoring the massive amounts of money flowing out.

The legal standing of the bridge banks was also causing confusion. Some banks were putting extended holds on customers' checks from Signature; payroll companies weren't giving SVB the information it needed to process paychecks for its business clients' employees.

“It was the proverbial drinking from a fire hose,” Mr. Mayopoulos said.

Another major task was trying to slow the outflow of deposits. SVB and Signature Bank had catered mostly to business clients, who were used to highly personalized service. “A lot of calls were coming in rapid fire from customers wanting to talk to me, understanding is their deposit safe?” Mr. Carmichael said.

Mr. Mayopoulos went on the offensive to try to win back some of the customers who had pulled tens of billions of dollars in deposits. “Please consider moving some of them back as part of a secure deposit diversification strategy,” he wrote in one message. He also made his pitch through a series of Zoom calls with clients, which he said thousands attended.

As Mr. Carmichael and Mr. Mayopoulos worked to stabilize operations, the FDIC remained in charge of selling the banks' remaining assets.

On Sunday, March 19, the FDIC announced that **New York Community Bancorp**'s Flagstar was buying most of Signature's assets. The bank would open under the new name the next day.

Mr. Carmichael was on the job for a little over a week when the new owners arrived on site to address their employees. “I stepped out because it was kind of awkward for me to still be there,” he said. He was on a return flight to Cincinnati soon after.

Mr. Mayopoulos's assignment came to an end about a week later, when the FDIC sold most of SVB's assets to **First Citizens Bancshares** Inc. In one of his last tasks as CEO, Mr. Mayopoulos met with a team from First Citizens to debrief them on the bridge bank's state.

Watch a Video

Scan this code for a video on how the FDIC protects consumers.

Small-Cap, Cyclical Stocks Climb

Price of bitcoin rises above $30,000, a level it hasn't breached since June

By Ryan Dezember And Joe Wallace

Shares of smaller companies and those in cyclical industries like materials and energy that are less sensitive to interest rates rose in a quiet session ahead of the release of the latest U.S. inflation data.

The S&P 500 was nearly unchanged, shedding 0.17 point to 4108.94. The Russell 2000 index climbed 14.15 points or 0.8%, to 1786.59, the second consecutive session that shares of smaller companies outperformed those of larger firms.

TUESDAY'S MARKETS

Top gainers included flooring firm **Mohawk Industries**, which rose $5.40, or 5.7%, to $100.12, and appliance maker **Whirlpool**, up $4.94, or 3.8%, to $134.02. Fertilizer producers **CF Industries** and **Mosaic** each added more than 4.4%.

The Dow Jones Industrial Average climbed 98.27 points, or 0.3%, to 33684.79. The Nasdaq Composite fell 52.48 points, or 0.4%, to 12031.88

U.S. government debt prices declined, nudging yields higher. The yield on 10-year Treasury notes rose to 3.433% from 3.414% Monday.

Gold prices, up 10% this year, remained above $2,000 a troy ounce.

Bitcoin rose above $30,000 for the first time since June, extending a rally that began when banking turmoil led investors to expect the Fed would soon cut interest rates. Late Tuesday in New York, the cryptocurrency traded at $30,172.56, up 3.65%.

Traders and money managers are focused on interest rates ahead of the Fed's meeting that will conclude May 3. After last week's strong labor-market data, traders are increasingly wagering that the central bank is likely to raise rates by a further quarter of a percentage point, according to CME Group.

"We're in a nothing market until either the Fed blinks or the market blinks," said Matthew Tuttle, chief executive of Tuttle Capital Management.

Consumer-price data due Wednesday will help investors assess the Fed's progress in taming inflation.

Lars Skovgaard Andersen, investment strategist at Danske Bank, said recent economic data had fueled hopes that the Fed might control inflation without causing a recession. Still, he said that many large investors hadn't participated in the recent rally and that weaker companies would begin to be exposed by higher rates.

Investor attention could turn back toward banking upheaval later this week when JPMorgan Chase, Wells Fargo and Citigroup kick off earnings season. Hani Redha, a portfolio manager at PineBridge Investments, said money managers will focus on what lenders say about credit conditions and deposits following outflows from some regional banks.

Financial stocks rose as they continue to rebound from the selloff last month, when two major U.S. lenders failed and Switzerland engineered a deal for UBS to take over struggling rival Credit Suisse.

Mr. Tuttle said he isn't buying a banking recovery. Instead, he said he is shorting regional bank stocks as well as placing wagers that will pay off if shares of commercial- real-estate firms decline. He is also buying shares of precious-metals miners on down days, reasoning that they should benefit from high gold and silver prices as well as consolidation in the sector.

Shares of Colorado-based gold miner **Newmont** lost $1.17, or 2.3%, to end at $49.92 after the company raised its takeover bid for Australia's Newcrest Mining for $19.5 billion. Newcrest said it would open its books so that Newmont could put forth a firmer offer.

CarMax led the S&P 500, rising $6.35, or 9.6%, to $72.21 after the used-auto retailer reported fourth-quarter profit roughly twice what analysts expected. CarMax nonetheless warned that the company has been plagued by affordability issues, higher interest rates, tightening lending standards and low consumer confidence. CarMax's lending business is bracing for more defaults.

Economists are watching secondhand auto prices closely to gauge inflation. Goldman Sachs Group analysts said they expect Wednesday's consumer-price data will show that used-car prices climbed 0.5% in March, keeping pressure on U.S. consumers.

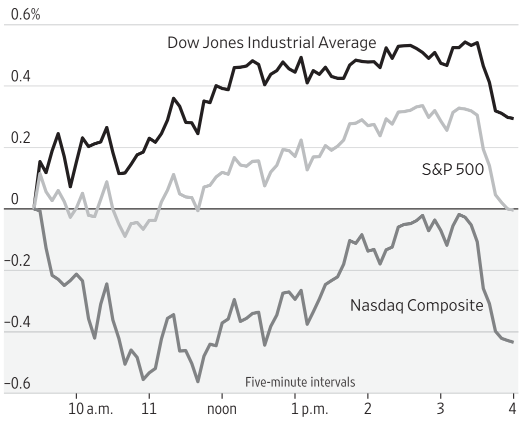
Moderna was the stock index's biggest loser, falling $4.90, or 3.1%, to $155.25 after the biotech company told analysts and investors at its "Vaccines Day" presentation that its first influenza vaccine candidate didn't meet the criteria for early success in a Phase 3 trial.

The Stoxx Europe 600 added 0.6%, led by basic-resource and auto stocks. Early Wednesday, Japan's Nikkei 225 was up 0.6%, Hong Kong's Hang Seng Index was up 0.8% but the Shanghai Composite was down 0.4%. S&P 500 futures rose 0.1%.

SERGIO FLORES/BLOOMBERG NEWS

Whirlpool shares rose 3.8%. The appliance maker was one of the S&P 500's top performers.

Index performance Tuesday



Source: FactSet

AUCTION RESULTS

Here are the results of Tuesday's Treasury auction. All bids are awarded at a single price at the market-clearing yield. Rates are determined by the difference between that price and the face value.

THREE-YEAR NOTES

Applications	$106,354,743,100
Accepted bids	$42,557,489,100
" noncompetitively	$152,397,000
" foreign noncompetitively	$0
Auction price (rate)	99.831325 (3.810%)
Interest rate	3.750%
Bids at clearing yield accepted	71.32%
Cusip number	91282CGV7

The notes, dated April 17, 2023, mature on April 15, 2026.

Buffett Boosts Japanese Traders

By Akane Otani

Shares of Japanese trading companies jumped after Warren Buffett said he was considering increasing his stock investments in Japan.

Mr. Buffett, who is in Japan on a business trip, made the remarks in an interview with Japanese publication Nikkei. His company, **Berkshire Hathaway**, has been invested in five Japanese trading companies, known as "*sogo shosha*," since August 2020. The trading companies have stakes in a variety of businesses and generally have low stock-market valuations, a trait that analysts have said has likely made them attractive to Mr. Buffett.

"At the moment, we only own the five trading companies. There's always a few I'm thinking about," Mr. Buffett said to Nikkei.

Mr. Buffett added that he was open to the idea of partnering with the companies in a future deal. "We would love if any of the five would come to us ever and say, 'We're thinking of doing something very big or we're about to buy something and we would like a partner or whatever,' " he said to Nikkei.

Japanese stocks also got a boost Tuesday when new Bank of Japan Gov. Kazuo Ueda pledged to keep monetary policy easy for now.

Mr. Buffett said geopolitical tensions were "a consideration," in the decision to sell much of Berkshire's stake in **Taiwan Semiconductor Manufacturing** Co. last year, only months after investing in the chip maker. TSMC has been considering expanding its production capacity outside of Taiwan, in part because of rising tensions between the self-governing island and Beijing.

Everyone should be welcome at the table.

We're on a mission to provide a billion meals by 2030. Because over 30 million Americans don't know where their next meal is coming from. It could be anyone, even your neighbors. Let's break the cycle of hunger, together.

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nourishing neighbors

HEARD ON THE STREET
FINANCIAL ANALYSIS & COMMENTARY

CFOTO/DDP/ZUMA PRESS

'The Super Mario Bros. Movie' shows that Nintendo's game franchises have huge potential outside the console.

Mario Steps Up Nintendo Movie Game

Gaming giant has a film hit with 'Mario Bros.' but it needs to reset its revenue strategy

The success of "The Super Mario Bros. Movie" has demonstrated the value of Nintendo's game franchises. But the Japanese company needs to make much better use of them to level up for investors.

A new movie featuring Nintendo's iconic plumber has hit a high score. It grossed $377 million globally in its first five days in theaters, making it the largest opening weekend ever for an animated movie, surpassing Disney's "Frozen 2." The latter went on to rack up $1.5 billion in box-office revenues globally. And "The Super Mario Bros. Movie" will likely see another spike in box-office earnings when the film launches in Japan later in April.

Nintendo's shares jumped 4% this week on the news. Assuming an eventual box office of $1.5 billion, Jefferies analysts estimate the movie could bring in $350 million of operating income for Nintendo, after accounting for costs and profit-sharing with its partners. That would be a nice boost: Nintendo's operating profit for the fiscal year that ended in March 2023 was probably around $3.8 billion, according to S&P Global Market Intelligence.

But whether the hit will be a game changer for Nintendo depends on if the company seizes the opportunity to make the most out of many more of its popular game franchises and doesn't just take "Mario Bros." as a one-off win. Nintendo makes almost all of its revenue from selling Switch videogame consoles and console games. Mobile games and other intellectual-property-related income—like royalties—accounted for 3% of its sales in the nine months ended December.

Nintendo's popular titles would likely resonate strongly with families as broader franchises, particularly since some current parents grew up playing the company's games. The trend of using videogames as fodder for other media formats is already well established: The success of **Sony**'s "The Last of Us" as an HBO series is the latest example.

Creating new revenue sources would be especially helpful since Nintendo's Switch console is starting to show its age, six years after its launch. Nintendo has sold 122 million of the consoles, but it will soon need a successor: Sales have been slowing of late.

Still, investors shouldn't take for granted that Nintendo will pursue such a strategy. There were high hopes for mobile games as a new revenue driver a few years back, especially after the breakout success of "Pokémon Go," but that turned out to be wishful thinking. Nintendo stuck to its console-first strategy.

"The Super Mario Bros. Movie" shows that Nintendo's game franchises have huge potential outside the console. But Nintendo has been conservative about shifting away from its core bread and butter in the past. Investors would be wise to wait and see, rather than assuming "Mario Bros." will usher in a new era.

—Jacky Wong

CarMax Picks the Profit Lane

In today's tough economic environment, **CarMax** has to pick a lane: increasing market share or maximizing profit margins. Right now, it is choosing the latter.

The used-car retailer said on Tuesday that it sold 14% fewer retail used vehicle units on a same-store basis in its quarter ended Feb. 28 compared with a year earlier, worse than the 12% decline analysts were expecting. This marked the fifth consecutive quarter of declines in that metric.

CarMax generally says it is intent on growing market share in a profitable way, which, between aggressive competitors and consumers squeezed by inflation and interest rates, isn't so easy today. Chief Executive Bill Nash said on the earnings call Tuesday that the company could have sold more cars but would have made less money based on the tests it conducted on price elasticity, or the responsiveness of demand to price changes.

Clearly this is hurting its market share. CarMax's double-digit percentage unit sales declines look noticeably worse than the 1% decline logged for the overall used-car industry, according to a note from Evercore ISI. The retailer admitted as much and said it lost market share in the back half of last calendar year. Margins improved though: CarMax's overall gross profit margin in the latest quarter was 10.7%, up from 9.2% a year earlier. The company also reduced overhead expenses, slashing advertising by 37%. In all, net income was down 57% compared with a year earlier, much better than the 77% decline analysts were expecting. At the moment, investors seem to be happy with CarMax's profit chase: Its stock rose nearly 10% in Tuesday's trading.

BRANDON BELL/GETTY IMAGES

CarMax's overall gross profit margin in the latest quarter was 10.7%.

CarMax is confident that it can stop market-share losses when economic conditions stabilize. Mr. Nash said on the call that CarMax has previously lost market share in the 2008 recession and during the depths of the pandemic, but that it has a record of growing that back as the economy recovers. The risk for CarMax is that economic conditions stay in this limbo for a while, with used-car pricing and interest rates both staying uncomfortably high while competitors keep cutting prices to gain market share.

There are signs that at least some market conditions are turning the right direction. New-car dealers have said the balance of power is shifting back to consumers, noting that manufacturers are pivoting to incentives and rebates to sell new cars. This dynamic could eventually translate to lower prices for used vehicles, which could help CarMax source cars more cheaply. Meanwhile, a tougher lending environment could start hitting CarMax's competitors: One of the analysts on the call mentioned that some banks are pulling back on floor-plan financing for some used-car sellers, which would limit their ability to source inventory. CarMax funds its own inventory and doesn't have this problem. Lastly, CarMax's cost of funding has declined recently, even while the company has been able to raise the loan rates it charges to consumers. That is directionally a good indicator for its financing arm.

Road conditions don't look great, but CarMax seems to have a good grip on the steering wheel.

—Jinjoo Lee

Bank Losses Can Be Gains for This Money Fund

There could be a simple way for investors to profit as banks shed deposits.

Money-market fund managers are in position to be big beneficiaries of the recent surge of cash into these vehicles. Many of the biggest managers are actually relatively small parts of vast financial institutions. But there is one significant manager that is a more direct play on the money-fund business.

Federated Hermes says its share of the money-market mutual-fund market was about 7.7% at the end of last year. According to Crane Data, its tracked money-fund assets at the end of March ranked behind only those of global asset-management giant **BlackRock**, nontraded Fidelity and Vanguard and megabanks **JPMorgan Chase** and **Goldman Sachs**. The Pittsburgh-based company had about 40% of its total revenue in 2022 attributable to money-market assets.

Already this year, Federated's shares are up more than 15%, escaping the financial sector's decline and outperforming the S&P 500's gain. Now a question for investors is whether money-fund inflows will continue to be strong, or whether recent weeks have pulled forward what would have been future flows.

There are a number of reasons to believe inflows might continue. Strategists at **Barclays** have projected that balances for money-market funds that hold only government-backed instruments could rise by $500 billion to $1.5 trillion in the next 12 months, on top of what happened in March. "Institutional investors have noticed that they were not getting as much compensation for taking on unsecured bank risk by keeping bank deposits above the $250,000 insurance cap," they wrote in a recent note.

Plus, any big banks that received deposit inflows during the recent crisis might not raise their deposit rates as aggressively as they might have otherwise amid this surplus, which could give money-market funds a continued edge with many yield-seeking customers.*

April may be a litmus test for money-market funds. Normally it is a rough month for funds' flows, as people withdraw to make tax payments. But through April 10, month-to-date inflows industrywide are more than $40 billion, according to Crane. If those continue through tax day, that might surprise the market a bit. Autonomous Research analyst Patrick Davitt estimates that Federated may report $20 billion-plus of net inflow to money funds in the first quarter, and that market estimates for its full year may also need to be revised upward.

So investors looking to diversify out of banks should keep looking at the flip side of that trade, too.

—Telis Demos

The New Normal for PCs Looks Even Worse

It has turned out to be a bad time for hybrid workers who want that extra computer—especially for the companies making those computers.

Global PC sales logged another period of sharp double-digit declines during the first quarter, according to reports Monday by International Data Corp. and Canalys. Canalys reported sales slid nearly 33% year over year to about 54 million units, while IDC reported a 29% drop, to about 57 million units.

The first quarter is typically a weak one historically. But per IDC's data, this year's first-quarter sales of PCs fell below those from the same period in the years 2014 to 2019 leading up to the pandemic. It also was the industry's fourth consecutive quarter of double-digit declines—a streak IDC hasn't tracked since early 2016.

Some snapback was inevitable. The pandemic sparked a big jump in PC sales as companies and workers rushed to better equip themselves for remote work. But normal life proved slow to return, as a tight labor force gave workers the leverage to resist calls to return to the office full time. And expansion efforts—especially by deep-pocketed tech giants who believed their pandemic gains to be permanent—meant extra pay and perks for the same workers who wanted top-of-the-line gear to

29%

First-quarter decline in PC unit sales, according to International Data Corp.

Zoom in from home. **Apple**'s Mac computers, which command much higher prices than the average PC, accounted for 10% of global PC unit sales in 2022 after averaging 7% annual share over the previous five years, according to IDC's data.

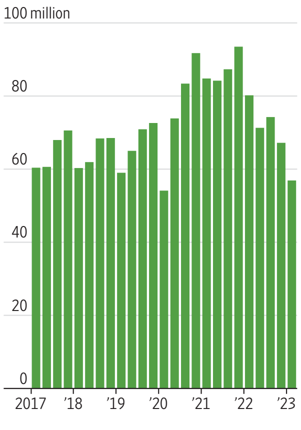
But the PC industry's normalization has come at an especially bad time. The same tech giants hiring wildly in 2021 have hit the brakes hard; tech companies have announced cuts affecting nearly 336,000 workers over the past two quarters, according to tech-job tracker site TrueUp.

And the workers staying are finding budgets much less generous. Ruth Porat, chief financial officer of Google parent **Alphabet** Inc., singled out equipment spending in a companywide email on March 31, according to The Wall Street Journal. "Today's devices have a much longer lifespan and greater performance and reliability, so we have made changes to what's available and how often it's replaced," she wrote. And this from a company with a net cash balance just under $130 billion—the highest in tech.

Wall Street has already been projecting sharp declines in the PC-related segments of **HP**, **Dell** and **Lenovo** this year. But the depth of the current slump raises the question of just what recovery will look like. PCs have long been a mature market—one that averaged annual sales of about 265 million units in the five years before the pandemic. IDC, for its part, projects that annual unit sales will creep up close to the 300 million mark by 2027, which would represent average growth of about 3% annually. Even that may require Google and its rivals to open up their pocketbooks again.

—Dan Gallagher

Global PC unit sales, quarterly



Source: International Data Corp.